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Fashion Design Companies in Alberta: Factors Affecting Viability and Competitiveness

by

Valerie Mae Gross

A thesis submitted to the Faculty of Graduate Studies and Research

in partial fulfillment of the requirements for the

Degree of Master of Arts

in

Textiles and Clothing

Department of Human Ecology

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The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies and Research for acceptance, a thesis entitled *Fashion Design Companies in Alberta: Factors Affecting Viability and Competitiveness* submitted by Valerie Mae Gross in partial fulfillment of the requirements for the degree of Master of Arts in Textiles and Clothing.

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ABSTRACT

The purpose of the study was to determine the viability of vertically integrated fashion design firms in Alberta, and to explore their business strategies. An adapted human ecosystem model was used as a framework for the study. In fulfilling the objectives of the study, two research strategies, survey and multiple case study, were utilized. Questionnaires were mailed to 161 firms, and structured interviews were conducted to collect data from the owners and designers of three companies.

From the analysis of the data, it appears companies that survive in the apparel business: have a narrow "focus" for their company's niche, have the ability to adapt to a changing environment, have a "realistic" business philosophy, subscribe to continual learning, and network with other companies. Support systems are needed to deal with the problem of "poor recognition", and training programs are required for industrial machine operators. Vertical integration and customization was seen as a solution to the problems associated with small company size.

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Fashion Design Companies in Alberta: Factors Affecting Viability and Competitiveness

CHAPTER I. INTRODUCTION

The women's ready-to-wear industry in Canada was well established in the 1920s. Simple styling details of clothing at that time allowed the manufacturer to mass produce ready-to-wear garments for the consumer. Manufacturers were reluctant to hire designers to create original clothing, or promote design talent, as the legendary practice of copying Parisian couture guaranteed market success.

> The creativeness of her designers...the versatility of her fabric mills...the nimble fingers that tend the looms, cut and sew, press and finish...the clever promotion that convinces and sells - out of these she is wearing her own "design for fashion" ("Canadian Business", 1949, p. 4).

Canadian Business magazine (1949) used this poetic phrase as an incentive for manufacturers to encourage marketing firms to promote "fashion" since the business of selling "fashion" would be more profitable than selling "clothes". This same philosophy still pervades the apparel industry today; fashion-oriented products provide Canada the best opportunity for competitive advantage since this sector is least affected by imports (Schmidt, 1995; Wall, Sommers, & Wilcock, 1994; & Industry, Science and Technology Canada [ISTC], 1989).

The apparel industry is a dynamic and complex industry. The Canadian apparel industry is the fourth largest employer with approximately 2400 firms (Frings, 1991). Eighty-eight percent of these apparel firms employ fewer than 100 workers (Dickerson, 1995; Schmidt, 1995). The industry is geographically concentrated with the largest

centres in Quebec (66%) and Ontario (22%), followed by the Prairies (6%), British Columbia (4%), and the Atlantic Provinces (2%). In Alberta, the apparel industry, including the retail sector represents $1.2 billion in annual revenues (Schmidt, 1995). Manufacturing revenues in Alberta are approximately $200 million including exports (Schmidt). Notably, apparel manufacturing in Alberta is the second largest consumer products industry (Schmidt, Bridges, 1995). There are approximately 380 apparel manufacturers in Alberta, with 200 in the Edmonton area. Eighty percent of Alberta's apparel manufacturing firms employ less than 10 people (Schmidt, 1995). Small business size is a reality of the apparel manufacturing industry in Canada.

Small business size is also a reflection of the small domestic market in Canada. Canada is a vast country with a population of close to 30 million people. Therefore, the domestic market is small, comprising varied lifestyles and vast distances between markets. In addition, because of the small domestic market, Canada is considered a trading nation. During the first quarter of 1995, clothing manufacturing international exports in Alberta grew by 38% (Schmidt, 1995).

A review of the literature reveals certain factors that affect the business of fashion in Canada. Globalization is a reality in which we function. Boundaries are being broken by free trade agreements and many protectionist policies are being phased out, allowing for economic linkages and interactions of peoples between countries. Globalization provides potential to increase opportunities for the apparel industry. It is imperative to be competitive in a global market place. One advantage to the small business size in Canada is that manufacturers can

quickly respond to consumer demand because of the flexibility of small production runs, sustaining a competitive advantage.

In today's economy retail structures are constantly changing, presenting challenges for apparel manufacturers and designers; for example, buyers are less likely to take risks in purchasing. This is due in part to centralized purchasing practices. Flexible business networks are providing a means for small businesses to increase their competitive advantage over larger companies. By forming alliances between small businesses, new markets are sought, costs are shared and decisions are jointly made. As a team, a stronger voice is possible. Advances in computer technology have decreased the response time of the apparel manufacturing firms to style changes and consumer tastes. Finally, the influence of a generation of aging baby boomers will undoubtedly affect the fashion industry and thus clothing choices available to the consumer, as changing demographics and economic shifts have an effect on fashion movement.

The literature review (Chapter II) gives a brief history of the Canadian fashion industry and the emergence of the "designer". Understanding the history of the Canadian fashion industry and its designers helps to define the industry's characteristics and indicates the importance of focusing on the design of fashion-oriented apparel. Historically, Canadian designers emerged in the 1960s when manufacturers realized the importance of the designer label to the consumer. If emphasis is placed on fashion-oriented products, in particular domestic niche products and high fashion exports, the role of designers becomes increasingly important since their expertise is required to produce original styles. Bloch (1995) notes that product design is the most

important determinant of sales success.

The majority of apparel firms in Alberta are small fashion design houses, and small business makes up 90% of all business in Alberta. Thus, small business is critical to the economic survival of Alberta. Clearly, if independent fashion design houses are to be successful in building a viable business in a competitive global market place, research is required to develop a profile of these companies and to explore competitive strategies in business.

Problem Statement

A cooperative effort initiated by The Industry Development Branch of Alberta Economic Development and Tourism has begun in Alberta to improve marketing strategies and the public profile of the fashion industry. Thus, the timely need for descriptive research of the independent designer in business. The purpose of this study was to determine the viability of vertically integrated fashion design firms in Alberta, and to explore business strategies for continued economic growth.

Justification

Because it was establishing itself as a country in the 19th century, Canada was a latecomer to the fashion scene, establishing the women's ready-to-wear industry in the 1920s. Designers only began receiving national and international recognition during the late 1960s around the time of Expo 67 (world exposition). Our history has shown that Canada has not exploited its designers due in part to the small Canadian market, our vast geographic space, and the concentration of the

industry in Montreal and Toronto. Finally, our propensity to rely on European and American influences delayed manufacturers in employing Canadian designers.

Fedorak's (1988) survey of Canadian designers indicated that isolation of the western fashion industry has been problematic for western Canadian designers. There were more disadvantages than advantages for working as a designer outside of the major fashion centres, particularly in Western Canada. This study was one of the few independent studies found on Canadian designers. It is necessary to conduct further research to determine if the problems associated with isolation are having an effect on the "survival" of design houses in Western Canada.

Schmidt (1995) indicates designers are weak in marketing and promotional skills. Huddleston and Oliver (1995) identify the lack of sophistication in market identification and positioning of products as a weakness of management in the Canadian apparel industry. It is important to find out how designers operate their businesses and if they utilize business plans. Wall, Sommers, & Wilcock (1994) found that in general, retail buyers in Canada do not have formal business plans, while Craig and Horridge (1995) and Littrell, Stout and Reilly (1991) stress the importance of identifying the business and marketing characteristics contributing to the "success" of apparel firms.

Although there is much information concerning the generalities of small business practices, further research is required to explore the business practices of designers, as there is limited information specific to this group. Since the majority of apparel design firms are small, and are having a considerable economic impact in Alberta, company

feedback is necessary to identify needs and skill requirements of firms for the business of fashion to be viable. To manage a firm successfully, designers and owners/managers need to be well informed about opportunities available to them, develop strategies for success, and be aware of the problems and factors affecting the future of the Canadian fashion industry.

Objectives

The objectives of this study are:

1. To compile a profile of independent fashion design businesses in Alberta.
2. To determine the effects of technology, globalization, flexible business networks, changing retail structures, and demographic changes on the competitiveness of fashion design businesses. Other influential factors affecting apparel design businesses may be revealed during the investigation.
3. To determine the extent of vertical integration of fashion design firms in Alberta.
4. To determine criteria for "success" of fashion businesses in Alberta.
5. To make recommendations for improved business strategies.

Definitions

Fashion is a complex term carrying wide meaning and affected by many factors. In the context of this thesis, fashion will refer to the apparel products created by designers and accepted as a popular form of dress at any given time, and admitting all the variations that exist due

to social class, occupation, status, wealth, and personality inherent within the concept of "fashion".

Fashion industry encompasses a variety of industries, all concerned with the design, manufacturing, and distribution of textiles, women's, men's and children's apparel and accessories. This study focuses on one type of business within the industry, vertically integrated design firms which design, manufacture, and retail fashionable garments.

Fashion-oriented products are original garments that are targeted to a particular consumer group (Industry, Science and Technology Canada [ISTC], 1989).

Commodity-oriented products are utilitarian or of a practical nature, and usually of low originality.

Value-added is the monetary value added to a product or the difference between the material costs associated with the production of goods and the value of the end product (Industry Canada, 1995).

Trends are directional movements in fashion reflecting changes in society including social, political, and economic changes. Fashion trends have long-lasting effects. Trends are the reality of the fashion marketplace.

Fads are short-lived fashions generally built on illusions from entities like media hype or a new movie personality ("The design", 1995).

Couturier (male), **Couturière** (female) is a designer who creates original fashion styles in couture establishments (apparel firms) following the protocol set by the Chambre Syndicale de la Couture Parisienne.

Ready-to-wear refers to mass produced apparel.

Knock-offs are fashions that are copied from designers, usually in less expensive fabrics, and often with less attention paid to fine detail.

Marketing can be defined as being a process to plan and execute the conception, pricing, promotion, and distribution of ideas, products, or services through an exchange that ultimately satisfies the consumer and the company involved (Berkowitz, Crane, Kerin, Hartley & Rudelius, 1995).

Target market is a specific group or groups of consumers to which a company (apparel firm) markets its products.

CAD is the abbrieviated term for computer-aided design. It is a computer system to facilitate the design process.

CAM is the abbrieviated term for computer-aided manufacturing, a computer system utilized in the assembly process of apparel products.

Vertical integration refers to companies which perform multiple functions along the supply channel, specifically production and retail of products. The key to vertical integration is the ability to gain "control" over the channel functions for maximum impact and financial advantages (Donnellan, 1996). However, the market place becomes intensely competitive as retailers and producers battle for market share.

Apparel industry is the industry segment that manufactures garments and accessories (Dickerson, 1995).

Garment industry includes all aspects of garment production and, in addition the retail sector associated with the distribution of these products.

CHAPTER II. LITERATURE REVIEW

The purpose of the following literature review is twofold: firstly to describe the history of the Canadian fashion industry and its designers. An understanding of the history of the Canadian industry aids in determining the industry's characteristics and its position in the global market place. Secondly, to review the following factors shaping the future of the apparel industry: technology, globalization, competitive advantage, flexible business networks, changing retail structures, and demographic changes.

History of Canadian Women's Fashion and the Emergence of the Canadian Designer

The history of the Canadian fashion industry and the emergence of Canadian designers are examined to fully understand the context of this study. The focus of this section is women's fashion, since it is the most dynamic sector of the industry. Documentation of the history of the Canadian fashion industry has lacked a certain enthusiasm. Little has been written formally about the Canadian fashion industry, including the history of men's wear. Because Canada and the United States have comparable standards of living and similar market-oriented economic systems, writers have viewed our fashion history as evolving in the same manner. Albeit there are similarities, for example, the propensity for copying European styles and the market place believing that fashion originates in Paris. It took Canada a much longer time than the United States to break the "copying" habit set by manufacturers, and to visualize the potential for the exploitation of the designer label.

Canada, during the 19th century, was developing as a country at

the same time that Europe had already established a growing fashion industry. In general, Canada imported technological expertise from abroad in order to develop the textile industry and facilitate the production of fashion (McCullough, 1992). With an increasing population and rising family income, the demand for garments increased.

The roots of the Canadian fashion industry were the cottage industry. The first manufacturing companies were established around 1868 in the cities of Montreal and Toronto (Kuzik, 1988). In Montreal, the garment district originated in the Bleury Street, St. Peel Street, and St. Catherines area, and in Toronto on Spadina Avenue (Frings, 1991). The primary product manufactured was coats. From 1870-1900 there was a change from hand tailored to factory-made garments due to technological developments, particularly the sewing machine. Initially men's suits were mass produced in Canada followed by dresses, blouses, foundation garments, sweaters, and millinery. The manufacture of sportswear is a relatively new sector (Kuzik). Canadian census records from 1870 revealed that most of the garments were cut in the tailor or wholesale clothing shops and then distributed to homeworkers to be sewn (Kuzik). However, the problem of the inconsistent quality of homework, led to the whole production process being done in a factory setting. Thus, the manufacturing of basic items was established in Canada in the 19th century.

Original interest in women's fashion in Canada was influenced by the British during the late 19th century due to the close economic and political ties (Beaudoin-Ross, 1992). Beaudoin-Ross noted that during this time of British influence, wealthy Montreal women consulted British journals for the latest available trends and styles. Generally, women

in North America kept abreast of trends by either travelling to Europe or reading the illustrated pattern books and magazines. Soon after they looked to Paris and New York for fashion information. Status dressing was important to this consumer-oriented bourgeois society (Beaudoin-Ross).

Mainly because of the styling complexity of garments at the beginning of the 20th century, the years between 1890-1915 were important for dressmakers of women's clothing (Smith, 1987). During the early 20th century, dressmakers were inexpensive, therefore in the large cities such as Montreal custom dressmakers copied the Parisian looks for their clients. Paris designers were considered the most prestigious by Canadians (as in the United States and Britain). Canadian high society women required appropriate clothing for various functions. By travelling, they could commission garments from couturiers in Paris, purchase ready made in American department stores, or patronize Canadian dressmakers. Canadian dressmakers tended to adapt style lines to their client's requirements (Collard, 1981).

During the first decade of the 20th century, ready-made clothing became more available to the consumer; however, most of the women's clothing was produced by the home sewer or by a dressmaker or tailor. Sewing skills were included as part of the home economics education programs for young ladies. Routh (1993) indicates that the Toronto City Directory of 1901 listed 150 tailors and approximately 550 dressmakers in business. Routh states that many of the tailoring and dressmaking establishments were competitive with the world's fashion centres. Timothy Eaton began manufacturing clothing for his stores around 1900. Some firms also developed in the Hamilton-London, and Kitchener areas,

mainly producing work clothes, hosiery, and knitwear (Routh).

The first World War changed women's lifestyle and thus wardrobe needs. A redirection of the female labour force into manufacturing of weapons and other military essentials occurred (Collard, 1981). Therefore, uniforms and overalls were necessary for women in the manufacture of arms (Wilcox, 1988). Collard stated that during the war years women were encouraged to repair and restructure existing garments. Even after the war this interest continued with women's magazines offering articles on how to recycle existing garments. Thriftiness, frugality, and practicality were essential characteristics of women's choice in clothing at that time.

For women who could afford luxurious clothing, exclusive Canadian retail stores carried imported originals to promote sales of "Parisian styles" (Collard, 1981; Routh, 1993). Specialty shops in department stores such as T. Eaton & Company (Toronto) and Ogilvy's (Montreal) took custom orders for designs in their salons (Routh). Some of these designs were copied or greatly influenced from the high profile French couturiers. As indicated earlier, "piracy" of designs seemed to be a common practice since the late nineteenth century, precipitated by fashion plates and magazines. Routh indicated that during the war international fashion trade was disrupted and fashion catalogues suggested the customer allow substitution of the lines illustrated because manufacturers could not guarantee the garments would be available. However, Routh's findings do not indicate whether domestic dressmakers work increased as a result of this suggestion.

With the emancipation of women continuing into the 1920s, Canadian clothing manufacturers began to offer a wider range of ready-to-wear for

working women. It was easier for manufacturers to copy and emulate the fine fabrics because of the simplification of design and the introduction of manufactured fibers, in particular rayon (De la Haye, 1993). Manufacturers either employed sketchers to travel to couture shows and draw the originals for copying or purchased fashion magazines to predict styles and colours. Simpler styling details in clothing also allowed home sewers and small town dressmakers to make up clothes easily. Designs were filtering down from couture to the cheaper levels of production to be made available to Canadian women. Even so, the ladies tailoring businesses still prospered with some dressmakers in Montreal, Toronto, and Vancouver achieving a certain degree of fame.

Emerging Canadian Fashion Industry/Designer

The reality for manufacturers in mid-1930s Britain was that copying Parisian couturiers practically guaranteed market success. Therefore, they were reluctant to hire a designer to create original styles or promote design talent (De la Haye, 1993). This notion applied to North America as well.

Stephens (1949) reported that the Canadian women's "fashion industry" actually began in the latter part of the decade between 1920-1930. Around this time a Canadian (Gaby Bernier, couturière) was setting up her own salon on Sherbrooke Street in Montreal which lasted 25 years. Gaby Bernier is of historical significance because she is probably the only early Canadian couturière to have presented her own successful collection, albeit only once during her career (Guernsey, 1982). Gaby Bernier felt that other couture fashion shows would not work in Montreal due to the costly nature of the event, few backers to

support the show, and nowhere near the numbers of clientele needed to support the event. Instead, she chose to participate in group fashion shows. She felt few Canadians were daring enough to wear imaginative clothing because of their conservative and dignified nature (Guernsey). During the period in which Bernier had her own salon, it was difficult for Montreal designers to achieve recognition due to limited press coverage.

The depressed economy of the 1930s saw a move to traditionalism, but there was still a desire for status dressing, influenced by Hollywood actors (Wilcox, 1988). Many manufacturers went out of business and those that survived implemented cost saving measures, including relocation to Montreal where cheap, non-union labor existed (Routh, 1993). Fewer stores imported original designs, but instead produced less expensive copies. Customers were still interested in Paris fashion news and dressmakers were still abundant in Canadian cities including Gaby Bernier and another prominent couturière, Marie-Paule Nolin.

During the 1940s banks and government became interested in the promotion of the fashion industry, deeming "fashion" sales more profitable than selling "clothes". Green (1946) reported that little was known about the industry since there was no established means of advertising. Sources indicated that the Canadian industry was thriving with sales of women's wear in 1943 at $140 million (Green; Routh, 1993). The industry in Quebec was highly developed, with many small establishments. As a result, the Montreal Fashion Institute was formed to deal with what was felt to be a poor perception of Canadian goods. The War Time Price and Trade Board imposed its A61 clothing regulations,

forcing manufacturers to consider product changes for the domestic market. By controlling all aspects of the price of goods, supplies, and services to the Canadian public, the government was able to ensure an adequate supply of clothing, therefore avoiding the need to ration clothing (Turnball Caton, 1994). Despite regulations, fashion changes occurred, specifically in the category of women's wear.

Stephens' (1949) article in Canadian Business stated that high profile designer names do not make the "big money". The giants of the Canadian industry are those manufacturers which mass produced low-priced cotton housedresses for their durability and quality (Stephens). The article goes on to indicate that much of Canada's "look" is foreign-inspired but mentions that Canadian designers are good at items like skiwear. However, Knott (1949) suggested that professional marketing firms are essential for promotion of ladies wear. He also indicated that few Canadian designers have set styles for others to copy. Manufacturers needed incentive to develop a Canadian fashion consciousness amongst women.

With the growth in manufacturing in the 1940s, there appeared to be a need for designers. Some Canadian design houses developed; Lawrence Sperber and Alfandri in Montreal, Rae Hildebrande and Louis Berger in Toronto, and Rose Marie Reid in Vancouver (Green, 1946). However, many manufacturers continued to copy as many designs as possible claiming difficulty in resisting advertising from the United States and Europe (Green). During the war, Holt Renfrew carried Marie-Paule Nolin's designs, but resumed copying Paris haute couture designs after the war. As a result Nolin left Holt Renfrew (Routh, 1993). Americans were forced into finding their own style directions due to a

lack of communication from Europe during World War II, precipitating the beginnings of American designer promotion (Frings, 1991).

North American consumerism took a strong hold in the 1950s. European designers reigned supreme with American designers beginning to make a name for themselves; Canadians still highly regarded foreign designers. Canadian designers generally were not recognized, however, in 1954 Raoul-Jean Fouré founded the Canadian Association of Couturiers which lasted 10 years (Routh, 1993). The Association held shows in New York to promote Canadian textiles and designers. The New York based Fashion Group Inc. formed regional associations in Montreal and Toronto to promote cooperation within the industry (Routh).

Turning Point for Canadian Designers

The 1960s proved to be a turning point for Canada's fashion image with manufacturers employing Canadian designers (Wilcox, 1988). Canadian designers tended to be conservative. For example, it was not until around 1967 that the legline of swimwear was raised, with Sea Queen producing a modest double knit nylon bikini (Routh, 1993). Marilyn Brooks and Susie Kosovic opened trendy boutiques. There was a surge in the industry due to a new generation of trained designers, Margaret Godfrey for Bagatelle, Leo Chevalier, and John Warden (Wilcox). John Warden produced uniforms for Expo 67 which exposed Canadian fashion to the world (Routh). The federal government promoted the talents of Canadian designers by sponsoring Canadian fashion events in New York to stimulate interest and sales (Routh).

Prior to the 1970s Canadian fashion displayed a heavy reliance on copies or "knock offs" from Europe and the United States ("High times," 1979). Another common practice had been manufacturers producing

authorized line copies. In the 1970s, the Canadian consumer became obsessed with the status that went along with the designer label (Routh, 1993; Wilcox, 1988). This was precipitated by increased media reporting of fashion. At home the preference still remained for the recognition of foreign designers over Canadian designers. In spite of previous marketing tactics, manufacturers began to see a reason to exploit Canadian talent, the designer label.

Characteristics of the Canadian Fashion Industry Today

Geographically, Canada is a vast country, second largest in the world with a population of close to 30 million (the total population of New York state). Therefore, the Canadian market is relatively small with varied lifestyles and vast distances between markets (Hastings, 1988). Canadian fashion tastes have been reported in popular literature as conservative in nature without interest in high style - believing more in the concept of "playing it safe" (Fraser, 1995; Morra, 1994). However, we were said to have a knack for adapting foreign styles to our likes, and due to our climatic conditions practical clothing was a requirement. The nature of the domestic market today is more fashion conscious. Hart (1989) noted that Canadian designers are influenced by many sources and because of our strong European heritage and close similarities with American culture, Canadian designer clothing possesses an imaginative fashion orientation. However, Canadian designers are not recognized by an identifiable "look" as are American designers. Perhaps because of Canada's vastness in size, market differences and utilization of many inspirational sources, a lack of one truly Canadian "look" is the Canadian "look".

Frings (1991) stated that the Canadian apparel industry is the fourth largest employer with approximately 2400 firms. The industry is geographically concentrated with the largest centres in Quebec (Montreal) and Ontario (Toronto), followed by the Prairies, British Columbia, and the Atlantic Provinces. Eighty-eight per cent of apparel firms employ fewer than 100 workers (Dickerson, 1995; Schmidt, 1995; Wall, Sommers, & Wilcock, 1994). This is confirmed by Industry Canada's data for March, 1995. Less than 5% of apparel manufacturing firms employ 500 or more workers (Wall, Sommers & Wilcock). Small business size is a reality.

During the economic crisis of 1981 to the end of 1982, Canadian apparel manufacturing production decreased by 12%. Retail sales declined by 3.5% for this same period of time. As a result, many jobs were lost in manufacturing. Nationally, 14.8% of the labour personnel within the garment industry lost their jobs. Quebec was hardest hit since it is the garment production centre in Canada (Mather, 1993). The most likely reasons for the decline in this sector between the years 1981-1982 include decreased consumer demand for clothing, manufacturers producing clothing primarily for the local market, increased import purchases by consumers, and the garment industry found it difficult to compete with cheaper production in "low-cost" countries. A response to this crisis, particularly in Ontario and British Columbia has been a shift towards women's fashionable items and sportswear. The constant style changes and an unpredictable market for fashionable items provides protection from imports. Another response has been the implementation of new technology, increasing the turnaround time and quality of garments (Mather).

Between the years 1975 to 1986 the Canadian apparel industry experienced a decline in market share because of an increase in low-cost imports (Huddleston & Oliver, 1995). Exporting is one strategy to counteract a decline in market share. Traditionally, Canadian apparel exports comprised an extremely small share of the overall Canadian shipments. For the 1973-1986 period, only 3% of Canadian apparel products were exported. Exports in this sector continued to decline between the years 1988-1990, but rebounded in 1991. Canada's total apparel exports increased by 27.7% for the 1990-91 period (Huddleston & Oliver).

The primary trading partner for Canada is the United States. In 1996, Canada sent 92% of its total clothing exports to the United States ($1.47 billion, $1.59 billion worldwide), an increase of 184% over 1992 (O'Brien, 1997). However, Canada appears to have "all their eggs in one basket", with only 30% of Canadian companies that have consolidated export business with the United States (O'Brien).

It is expected that exports will continue to grow as a result of the Free Trade Agreement and NAFTA, which has enhanced access to the United States market. The fact that Canadian exports have increased significantly over the last few years provides a generally optimistic future for the industry providing the dollar remains low (relative stability) in comparison to the U.S. dollar (Star, 1994).

The largest number of Canadian apparel manufacturing firms produce ready-to-wear. Very few are of national or international fame (ISTC, 1989). These firms are either fashion-oriented or commodity-oriented. Many companies have developed a high fashion niche of quality European styled garments revealing the importance of designing to this

competitive business. Fashion-oriented products provide Canada with the best opportunity to compete, since this sector is least affected by imports (ISTC; Schmidt, 1995).

ISTC (1989) also reveals that Canada is not a player in the international fashion industry at any product level; Canadian products are still unknown. Wall, Sommers, and Wilcock's (1994) research supports the latter statement by showing that few Canadian manufacturing firms have established and promoted Canadian brand names. There still appears to be a heavy reliance on licensing American names. We are still "romancing" American imagery. The main value-added garments for which we are known include outerwear, furs, leather goods and childrens' wear. Canada's strong point is products of excellent quality and craftsmanship.

Canada does not offer a great choice of fabrics, necessitating importation of fabric from Europe with high duty tax (Morra, 1994). Domestic material sources have also been noted to be lacking in variety and it is difficult to purchase small quantities (Fedorak, 1988). Star's (1994) survey of Canadian apparel manufacturers reveals that raw material costs is a significant strategic issue for this sector, due to the sourcing requirements of NAFTA (North American Free Trade Agreement). With an insufficient domestic textile base, Canadians face a cost disadvantage when competing with Americans because Canadian manufacturers must buy raw materials from North American sources to benefit from duty free exporting. Wolters (1995/96) reports that there has been an 86.2% increase of capital investment over 1994 by Canadian textile manufacturers, particularly in Quebec. Furthermore, Canada does not have the manufacturing capabilities for fashion textiles equivalent

to the European textile mills.

In summary, the main weaknesses of the Canadian industry include a small domestic market size, the majority of companies are small (however, small size can be a strength), a lack of variety in sources and kinds of materials available, poor recognition of Canadian products, and high labour costs. The main strengths of the industry include high quality products. O'Brien (1997) indicated that when American retailers are choosing a Canadian vendor, quality was rated as the most important criterion followed by value for money and service. Price tied fourth with fashion forward styling. Other strengths include a diversified manufacturing base and product range with an imaginative fashion orientation and the flexibility of the small company size, allowing them to handle small production runs. This capacity allows manufacturers to serve upscale fashion markets where production cost disadvantages are offset by responding quickly to market trends.

Characteristics of Alberta's Garment Industry

In Alberta, apparel manufacturing is the second largest consumer products industry, following furniture (Schmidt, 1995; Bridges, 1995). The Alberta apparel industry represents $1.2 billion dollars in annual revenues inclusive of retail. Manufacturing revenues account for approximately $200 million including exports. There are approximately 380 manufacturing companies in Alberta with 200 in the Edmonton area. Eighty percent of these companies employ less than 10 people reflecting the national small business size. The focus of products for these companies includes industrial uniforms, specialty corporate wear, work wear, outerwear, childrens' wear, and high fashion clothing.

Manufacturers compete by placing emphasis on fashion, quality, fit and construction, rather than price.

Traditionally these companies have supplied the domestic market but the first quarter of 1995 showed that manufactured clothing exports grew by 38% (Schmidt, 1995). Men's and women's protective clothing, uniforms and high-end clothing are the product categories which have shown the greatest increase in export volume (Capjack, 1996). In spite of this increase in exports, apparel and clothing is a "low volume industry". The value of apparel exports for 1994 accounts for less than 1% of Alberta's total export value (Capjack). Large companies like Levi Strauss (workwear), Sun Ice Inc. (outerwear), and Alberta Garment Manufacturing and Protective Apparel Inc. are exporting to North American and other global markets. The largest market for apparel exports (as for the rest of Canada) is the United States, with approximately 93% of the total Alberta exports (Capjack). The main reasons for the increase in exporting products include focusing on niche markets or specialty clothing, following the trend in North America towards corporate uniforms, and finally the continuing reduction of duty tax on imported textiles stipulated in the guidelines of the NAFTA (Capjack).

Montreal and Toronto are the major fashion centres in Canada with the greatest source of supplies and marketing skills, and where many of the products are contracted for manufacturing and purchased by department stores, chain stores and national retail outlets. Alberta manufacturers have limited access to national chains in the local market, due to centralized purchasing practices. Alberta manufacturers are providing less than 20% of apparel consumption in the province

(Capjack, 1996). Price competitiveness of garments shipped from Alberta is affected by centralized purchasing practices.

Fedorak's (1988) survey of Canadian designers found more disadvantages than advantages for working as a designer in Western Canada. The disadvantages included that the West was missing the stimulating fashion atmosphere of Montreal and Toronto. They were distanced from material sources. There were problems with late delivery delaying production and meeting deadlines, and it was difficult to purchase limited quantities of supplies. However, new technology is diminishing distance. Other problems included buyers who had a tendency to support familiar names, and a western location created difficulties in marketing products. Another problem, although it does not apply just to the western designer, is that designers have to be aware of their production capabilities. Fedorak states that in spite of all the disadvantages, the possibility exists for greater recognition of western designers by the media because there is not as much competition with other designers, and buyers finding western Canadian designers unique and different, almost as "imports".

Other constraints face Alberta garment manufacturers. As is the case in the rest of Canada, Alberta companies cannot compete on price, particularly for high volume commodities produced in the Pacific Rim or South America. Material sources are limited and importing of fabrics escalate production costs. Centralized purchasing practices makes it difficult for Alberta to compete for local market share. Advances in technology to facilitate access to competitive global markets will have to be considered by companies. High quality fashionable niche products and industry performance appear to be important factors to

competitiveness of this industry.

Design - An Asset of the Apparel Industry

The design of clothing (a balancing act between aesthetics and function) is the main reason consumers buy new garments (Newton, 1990). The design process is the first step in the production and retail of apparel (Jarnow & Guerriero, 1991). The primary responsibility of the designer is product development. Developing the appropriate fashion direction for each company in relation to its target market is essential (Newton). Successful designers interpret the direction of fashion, and like any business they cater to the needs of the consumer in a particular segment of the market (Rouse, 1989). It is important that the management of design not be treated in isolation, but integrated with all business functions (Newton). Evans (1990) suggests that a cultural division between design and business has implications for an organization's effectiveness.

Designers are either employed by a manufacturer (apparel firm) or are self-employed and recognized by their own label. Whether a designer works for a manufacturer or not, products are marketed as wholesale to retailers, direct to the consumer, or as exclusive one of a kind. The self-employed designer has the additional responsibility of managing a business. A relatively new trend in the apparel industry is the retail buyer determining styles and contracting a manufacturer to produce private label products (Wall, Sommers, & Wilcock, 1994). The focus of this study is the self-employed designer whose company is vertically integrated, as vertical integration may offer a solution to the problems associated with small company size.

Mainstream designers have to be practical and have knowledge of what is selling and then adapt trends accordingly. The stages of fashion development include researching fashion and consumer trends and then selecting fabrics and colors as the designer's medium. At this stage, refabrication can occur, utilizing new fabrics to modify existing popular styles of the company (Tate, 1989). The next stage is the creation of styles, keeping in mind aesthetic appeal, price, timing of trends, fit, care and durability. The designer develops the line supervising the pattern making and sample making through to the successful completion of the garments (Frings, 1991; Tate). Many manufacturing firms utilize the concept board in presenting the colours, swatches of fabric, ideas in sketch form, and magazine photographs to capture a particular designer's theme. Collection lines are developed months in advance of the season the line is presented to buyers.

Designers are essential as product design is the first step in the process of apparel production. Product design is the most important determinant of sales success (Bloch, 1995). Therefore, design should be an integral part of business management. Success in the ever-changing world of fashion requires researching the many variables affecting fashion to target a specific market. A commitment to design is the greatest asset fashion apparel firms have.

Small Business

Kunz (1995) defines the apparel firm "as a multifunctional and sometimes vertically integrated business involved in manufacturing and/or distributing of apparel" (p. 255). The focus of an apparel firm is its target market, therefore satisfying the needs and wants of its

specified customer. In turn, the company's focus in any decision making is its target market. This reflects the adoption of a market-oriented management philosophy. Today, many companies realize that adopting a marketing focus is important to their success (Kunz). Historically, apparel manufacturing firms were product-driven. In otherwords, their focus was to produce goods conveniently and efficiently and then try to sell to the market place. In contrast, a market-driven firm will evaluate the opportunities within the market in relation to the company's capabilities and then design, manufacture and distribute the product. In market-driven firms planning is essential.

Fiorito and Greenwood's (1986) research focused on empirically testing and illustrating the growth stages of small apparel retail firms using two life cycle models. The retail life cycle model was utilized to investigate the following market characteristics: competitors, rate of sales growth, level of profitability and duration of current innovation. Tyebjee, Bruno and McIntyre's model describes a four stage evolutionary marketing process for growing firms. This model was used to evaluate services, product line, pricing, location, promotion, and size (Fiorito & Greenwood). Data were obtained via a questionnaire booklet. The most important finding of this research was that the marketing characteristics change as firms grow and planning should reflect changes in the firm's life cycle. Change is one feature of fashion businesses that cannot be ignored. Accommodating change is critical. Star's (1994) survey of Canadian apparel manufacturers supports the significance of adapting to change.

Further to the significance of adapting to change, Fincham and Minshall (1995) focused their research on the attitudes of small town

independent apparel retailers towards implementing change and examined their risk propensity. The survey instrument was a questionnaire divided into 3 parts consisting of various measurement scales. The first part measured how recently retailers were updating their businesses and to what extent. The second part measured attitudes toward change and risk propensity. Finally the third part examined demographic information. Overall, the findings suggested that this group of independent retailers were updating their businesses, except in the areas of computer technology and inventory systems, and interior and exterior improvements. This study's findings could not conclusively state whether change was preferred or resisted. However, it was found that younger retailers preferred change to older retailers, and those individuals with a higher education also preferred change. It was also found that generally retailers in this particular group were not risk takers, and once again younger retailers and those individuals with a higher education were willing to take risk.

Kelley and Young (1983) also stress the significance of facilitating change as an important component to the planning process of all small businesses. The planning process is not the only solution to management problems, but preparing the firm and its personnel to cope with the problems of implementing change is crucial. Kelley and Young believe that recognizing attitudinal and structural barriers of the organization is the key to successful planning of small business. It is not the new planning system per se but the preparation of the business as a whole that is the key to coping with change.

"Success"

One line of research emphasizes that successful companies are those that best adapt according to their capabilities and opportunities provided and from the constraints imposed by their environment (Kalleberg & Leicht, 1991). Thus, adaptation to the environment depends on the decisions and actions made by the company leaders. Company leaders possess differing behaviorial characteristics, experience, and skills in handling the tasks necessary for a company's growth. Two research studies (Littrell, Stout & Reilly, 1991; Craig & Horridge, 1995) found it useful to approach entrepreneurship research as suggested by Kalleberg and Leicht by examining business related behavior and activities to differentiate successful and less-successful producers, rather than focusing on personality characteristics, a traditional approach to this type of research.

Craig and Horridge (1995) surveyed owners of apparel manufacturing firms utilizing a questionnaire. The purpose of their research was to gain insight into business success in terms of managerial qualities, demographic characteristics of the owner, competitive business strategies utilized, and the owner's attitude towards risk. Successful firms were categorized from two data sources, a percentage growth rate in sales over the past year and a subjective rating of success in relation to similar apparel firms. Littrell, Stout and Reilly (1991) studied successful and "struggling" craft producers of in-home businesses based upon the premises of naturalistic research. Although the type of business is different from the previous study, the approach to studying business success is similar, both used behavioral characteristics for distinguishing levels of success. Both studies

found the importance of business and marketing characteristics to the success of the business.

In summary, the latter sections "Small Business" and "Success" have identified the importance of a company adopting a market-driven management philosophy. Possessing this philosophy makes it easier for a company to adapt to change, a key characteristic of businesses that are more likely to be successful. Facilitating change is an important part of the planning process. Better planning requires that a company deal with management and personnel attitudes and the organization's structure as a whole. The significance of behavioral characteristics of business ownership is useful in the development of this study's instrument, providing a base from which questions can be organized in developing a profile of vertically integrated companies and in ascertaining criteria for success.

Business Aspects of the Independent Designer in Alberta

Researching business practices of designers is one aspect of this thesis. There is limited information specific to the vertically integrated designer in Alberta, although there is much information concerning small business practices. Schmidt (1995) indicates that designers in Alberta are weak in marketing and promotional skills. Huddleston and Oliver (1995) also identify the lack of sophistication in market identification and positioning of products as a weakness of management in the Canadian apparel industry. It is important to find out how designers operate their businesses through specific company feedback, and if they place emphasis on strategic business plans. It could be argued that a formally structured company would not be as

flexible in adapting to the variety in consumer needs, created by the changing nature of fashion. Star (1994) found that a formally structured company with well-developed systems of operations would be more suitable for a wide market focus rather than a design focus. Wall, Sommers, & Wilcock (1994) found that generally many Canadian retail buyers do not have business plans, and are "flying by the seat of their pants". More information is required to profile the business aspects of vertically integrated designers.

Factors Affecting the Business of Apparel Design

The following factors are identified in the literature as the most significant in shaping the future for apparel firms. These factors do not stand alone, but are interconnected, each influencing the other.

Computer Technology

Computer technology has become a necessary tool of contemporary society, changing the way we handle information. Computer technology evolved because the market became retail-driven rather than manufacturer-driven - the consumer wanted a new item immediately. Computer use in the apparel industry is established and is continuing to increase in use. The most significant increase in use of computer systems in the fashion industry appear to be in the areas of design/illustration and patternmaking (Sheldon, 1988). Mather's research (1993) found the most important CAD/CAM system to Vancouver apparel manufacturers was the marker/grader and plotter, mainly because it was less expensive than purchasing a fully integrated pre-assembly system. Computerized technology has allowed large companies to strive for "quick response" or shortened response time in the manufacturing of

apparel (Sheldon & Regan, 1990). Manufacturers are able to respond to style changes and consumer tastes, offering items almost immediately, relying more on an actual response rather than projected consumer demand (Swift, 1990).

The computer-aided-design (CAD) system has had the greatest impact on the fashion industry, gaining popularity in 1984 (Van de Bogart, 1989). CAD system is used to create visual imagery. Original designs can be created and manipulated to produce multiple variations in hours, instead of days by hand. This information can be stored in a database and recalled at any time; particularly advantageous to the designer who reuses design ideas. Patterns can also be produced, marked, and graded. Again, storage of this information is invaluable providing a consistent, easily accessible collection of standard patterns created by the designer. In the past designers tended to reject the idea of sitting down in front of a computer, in part because computer education was not part of the educational process. However, designing on the computer requires the same basic design tools as if one were to work from a traditional setting - only requiring a change in frame of reference.

It becomes essential to assess how a particular CAD system fits into a company's overall design process (Kosh, 1989). No matter what size a company is, the average designer spends 10-15% of their time on researching for inspiration, 35% of their time designing a line, 25% of their time on product development, 10% of their time on managerial activities, and 15% of their time on business communications (Kosh). Therefore matching job requirements with a particular computer system is critical.

Choosing the appropriate system also depends on the company's

financial situation and management skills. Technology is expensive and considering that the majority of fashion design houses in Canada are small, the question of feasibility is definitely a consideration. Many companies have problems in deciding which areas of technology to invest their money (Star, 1994). Canadian Apparel Manufacturing magazine ("CAD/CAM experts...", 1996) in describing the future of CAD/CAM technology indicates that modularization (integration of compatible components) and development of off-the-shelf programs will make technology more affordable. Ciuciura (1998) indicates that leasing is the preferred method of payment, since the industry "norm" is to change or update systems every 4-5 years to remain current. Leasing provides a cash flow advantage.

It is important to note that new technology will not solve the problems of an inefficiently managed company or give a company advantage over its competitors, as most companies are utilizing technology. Computer technology is used to be competitive. In addition, CAD is a tool that has the potential to make the creative process more rewarding by relieving the constraints of time placed on designers.

It will be interesting to see the extent to which computer technology is being utilized in the Alberta Fashion Design Industry and for what reasons, and if those reasons include increased productivity and enhancement of the creative process.

Globalization

The apparel industry is one of the most competitive due in part to the unpredictable nature of fashion. Consumer tastes are changing rapidly, facilitated by the increasing importance of technology and communication. In addition, all countries have varying degrees of

active apparel production.

The textile complex has become global in all aspects of the apparel industry (design, distribution, and production). Boundaries are being broken by free trade agreements and there is phasing out of many protectionist policies, presenting new opportunities for apparel firms. One solution in handling business appears obvious, to include an international business focus. Another is niche marketing with companies remaining small and specialized or vertically integrating production and retail, where the producer becomes retailer; the focus of this study.

There are five essential expansion factors for apparel retailers competing internationally (Good & Granovsky, 1995). Firstly, a retailer must have a translatable formula for consumers in foreign markets. The company's existing competitive advantage must differentiate the company from its domestic and international competition. Secondly, a company must have a developed technological and operational support system in order to facilitate expansion. Equally important is the company's infrastructure and execution of its business strategies. As well, a commitment to expansion by key personnel with a high risk to tolerance and careful planning is vital. Finally, the importance of timing is essential through applied research. Expanding into new markets generally requires a different focus from the domestic market.

The Competitive Environment

Porter (1980) defines competitive strategy as "positioning a business to maximize the value of the capabilities that distinguish it from its competitors" (p. 47). The state of the competitive environment is determined by five competitive forces: the threat of new entrants, the threat of substitute products or services, the bargaining power of

buyers, the bargaining power of suppliers, and the intensity of rivalry amongst the competitors within the industry. In coping with these forces, follow generic strategic approaches of either overall cost leadership, differentiation (creating something that is perceived as unique by the industry), or focus (on a particular buyer group, on a segment of the product line or geographic market). All strategies carry risks, however a firm that fails to develop a strategy in at least one of three directions will be "stuck in the middle" - a poor strategic situation (Porter).

McNamee and McHugh (1989) studied the clothing industry in Northern Ireland based on Porter's theories of competitiveness. Competitiveness of apparel companies was measured by using the respondent's net profit before tax, assuming that a high net profit before tax was indicative of a high degree of competitiveness. The findings indicated that small firms received higher profitability if they made a commitment to design. Large firms that were profitable were least committed to design. Star's (1994) survey of Canadian apparel manufacturers also supported the latter finding. There was no explanation given as to why large firms experienced a higher net profit when least committed to design. A possible explanation is that larger firms tend to cater to a wider mass market. With well-developed systems of production, where operation costs and speed of production are more important, there is less flexibility to respond quickly to changing fashion trends. Focusing on design would create higher production costs, and therefore a decrease in net profits. The larger the firm, the more it must rely on large markets, rather than niches. A modest commitment to marketing was profitable for small firms; larger companies tended to

incur a profit cost. Small firms received highest average net profit before tax with a commitment to "own branding". It pays for small firms to differentiate their products. In general, regardless of the company size, commitment to training received a lower level of net profit before tax, however benefits were assumed to occur over the long term - investing in the future. Finally, irrespective of management intensity (number of managers per employee) small firms were most profitable.

In summary, small apparel firms that are highly differentiated with strong commitments to marketing, design, own branding, and training received higher net profits. Clearly, attributing competitiveness to costs and prices is too narrow a perspective, particularly in the clothing industry.

Elaborating on Porter's (1980) generic strategy, differentiation, apparel design firms face a paradox in sustaining a competitive advantage. Because fashion styles are continually changing, the competitive advantage is only as good as the product lines that are shown for the moment. In the fashion business, one hears designers declaring "You're only as good as your last collection"; herein lies the paradox. If a business is building a product-based advantage, a designer cannot ignore fashion trends or the inherent nature of change in fashion (Star, 1994). There are difficulties in continually creating a unique product due to the changing fashion trends while trying to sustain a competitive advantage.

Flexible Business Networks

Flexible business networks are alliances between small businesses. These businesses work together to enhance their business opportunities and increase their competitiveness with large companies. They work

together on seeking out new markets and products, share costs which in turn helps to decrease cost issues, and jointly find solutions to various problems that arise. An example of an alliance between independent design companies was reported in the Calgary Herald (Good, 1995). A network was formed between seven designers who share costs of rental booths at trade shows. One of the designers represents the group. This individual does all the travelling to the various shows, solving a distribution problem that benefits everyone.

The Changing Retail Structure

In Star's (1994) survey of Canadian apparel firms it was found that many firms' markets were shrinking. This was felt to be due in part to a significant increase of American retailers in Canada, resulting in a highly segmented industry. This leaves firms with a choice: either increase the marketing relationship with their present consumers or seek new markets (Star). It would appear that some Alberta apparel firms are seeking new markets as evidenced by the 38% increase in manufactured apparel exports for the first quarter of 1995.

Another effect of a shrinking market size is that apparel manufacturers do not have the security of a long client list to fall back on in a recession. Thus, firms are relying on fewer customers for sales (Star, 1994). Star's survey of Canadian apparel manufacturers indicated that in response to this crisis there was a wide variation in sales concentration from focusing on a few selected customers to a large consumer base with differentiated product brands.

Linkage, a relatively new structuring concept in the apparel industry, is becoming prevalent. Linkage along the supply chain (textile/apparel/retail) is another attempt to meet the challenges of a

global market and assist in combatting market uncertainties (Beatty, 1993). The competitive forces within the industry and the use of Electronic Data Interchange (EDI) and Quick Response (QR) systems have also led to closer working relationships between all segments of the soft goods industry (Dickerson, Hooper, & Boyle, 1995). The idea behind linkage is to contain costs and eliminate the middlemen in hopes of achieving a better balance between the interests of manufacturers and retailers. Design and manufacturing firms cannot exist alone. They require input from many sources, therefore linkages along the apparel process chain are critical. Success for the industry as a whole can be achieved building on attitude and working together.

Technology affects the structure of all aspects of society and the retail industry is no exception. Information technology is changing the retail structure and giving way to new retail concepts. These concepts include on-demand shopping, on-demand inventory (electronic storage and delivery), virtual shopping, and lifestyle retailing, which is practiced in a few Canadian retail outlets ("Retail technology:", October, 1993). As its name suggests, lifestyle retailing targets consumer lifestyles. These concepts create challenges and opportunities for apparel manufacturers.

A tradition in retail has been to focus on merchandise segmentation strategies (Watson & Parks, 1990). Today, there has been a shift in focus towards the end-use consumer, indicative of a growing marketing orientation. In response to this trend, there has been a shift in emphasis from store image to customer image (Watson & Parks). Some companies have adopted a marketing strategy that is based on apparel as an image creator. For example, the need of "the boomers" to

buy apparel that transmits a youthful appearance. This marketing strategy may be particularly useful to small retail firms because of financial constraints and the difficulty in positioning themselves in the market. The major advantage is that direct competition is diminished because the use of customer image involves positioned retailing, rather than mass merchandising. However, there are difficulties in implementing this strategy. Communication of an image strategy requires an increased amount of time spent with the consumer. Additionally, more detail is required to collect and process information for merchandising purposes.

Demographic Changes

Demography is "the science of vital and social statistics... of populations" (Stein, 1988, p. 353). Demographic shifts bring about cultural and lifestyle changes and have a significant effect on the fashion industry. Foot (1996) believes that demography is an underutilized tool in analysis and forecasting of future trends. The more we understand the changes that have taken place, the better equipped we will be to cope with the realities of the market.

The baby-boom generation, those individuals born between the years 1947 and 1966, have had a tremendous economic and social impact on our Canadian culture, due to the sheer size of this group. Because of sharp fluctuations in Canadian birthrates, there are wider variations in size of different age groups than in European countries. Therefore economic and social changes are more evident in Canada (Foot, 1996). This fact makes demographics a most useful tool for analysis and forecasting trends in the marketplace.

According to Foot (1996), Canada's $17 billion apparel industry

has difficulty responding to demographic changes. He cites as an example the failure of Dylex, the empire of clothing retailers. The basic reason for its failure was the inability to adapt its business strategies to the reality of North American demographics. Too many stores catered to a youthful market without addressing the needs of "the boomers", who were originally their customers. This may be too simplistic an analysis of the failure of Dylex. Dylex's failure involved many complex issues and demography played a small part (Kidd, 1995). However, marketing fashion for an aging population cannot be overlooked, simply because of the sheer size of "the boomers".

The Support System

A key issue identified in the literature is that promotion is vital to the success of Canadian designers. Talent must be combined with business skills, a lesson that is just being learned (Morra, 1994). Canadians are legendary for not supporting their own. Canadians tend to win approval in their country when they have succeeded in the United States (Mudrick, 1995). Jeanne Beker, Canada's fashion promotor believes Canada has a long way to go because we lack a nationalistic pride and support evident in the United States (Mudrick). The following paragraphs point out some of the efforts that have begun to provide a support system for the business of fashion.

Associations/Foundations/Publications/Trade Shows

Fragmentation of the fashion industry has led to the failure of many garment associations. Some regional representation exists, but a national voice is required. Historically, Mode Montreal (1960s), Fashion Designers Association of Canada (1970s), the Centre de

Development des Industries de la Mode, and Toronto Ontario Designers (1980s) disbanded (ISTC,1991). In December, 1990, a meeting of Canadian design industries sponsored by the government had no representation by fashion designers (ISTC).

The Canadian Apparel Federation (CAF) is the association for Canada's apparel industry. The CAF provides an information service and discounts on a variety of goods and services required by apparel businesses. Part of their mandate is to promote the industry nationally and internationally (B. Kirke, personal communication, July 7, 1998). In 1997, the Edmonton Garment Association amalgamated with Calgary's Fashion Industry Development Institute (FIDI) to form the Association of Sewn Alberta Products (ASAP). As a member of ASAP, a company or individual is automatically a member of the CAF. The ASAP is a new initiative and a needed voice to the CAF for Alberta's apparel manufacturing industry.

It has been shown that support from various resources including the government can facilitate the design profession. In France, the government offers funding to encourage manufacturers to use local designers. The Spanish government during the 1980s made a commitment to designers and now they have gained recognition for producing successful designers (ISTC, 1991). Morra (1994) reported that various levels of government support the industry in Canada, but what is lacking is support from store buyers. Canadian department stores tend to devote whole sections to American designers at the expense of Canadian designers.

Winnipeg, Canada's third largest apparel centre (115 manufacturers, employing approximately 8000 people, 8% of Canadian

labour force) is an example of a business community that relies on a high level of co-operation amongst its apparel firms (Montanera, 1997). This garment centre has also received government support in supplying skilled labour. This was achieved in two ways. The government sponsors immigrants who carry the required skills, and funds an eight week training program for sewing machine operators. The local apparel industry provides the equipment and fabric. Albeit a small garment centre, government support and "teamwork" has benefited Winnipeg's garment centre allowing companies to be competitive (Montanera).

Toronto was the first city to create a support network, the Fashion Incubator (Orme, 1988). It provides support for designers by offering guidance in business, in production, and marketing, and offers manufacturing and studio space. 1995 saw the emergence of a cooperative effort in Edmonton's garment industry. This complex was called the Empire Fashion Group located in downtown Edmonton, Alberta. The Empire Group was created to provide a cooperative working environment for members of the local fashion industry (Bridges, 1995). Affordable leasing opportunities were offered to apparel companies. The services offered included a resource library, a retail outlet, "The Launch Pad", a wholesale showroom, training seminars, and marketing and promotional programs. However, during the research for this study, the Empire Group sadly closed its doors.

The Matinée Foundation established in 1992 provides designers with monetary awards yearly for those designers meeting specific criteria (Chiasson, 1992). Designers must already be in business but require assistance to further develop their careers. Matinée Ltd. surveyed the industry and found that many Canadian manufacturers do not hire

designers (Chiasson). As a result many Canadian designers operate small businesses, and a lack of funding prevents them from achieving their goals. It would appear that this foundation is a much needed initiative.

Canada Mode was established in the early 1990s as a trade show. It is produced by the Canadian Consulate General in New York city (S.P., 1994). The show consists of the Premier Collections entirely backed by the Canadian Apparel Federation to help finance and encourage approximately forty Canadian designers to improve marketing skills (Fraser, 1995, October 3). "Do trade" (1995) in *Style* reports that Canadian retailers would like to see a womenswear trade show in Canada. Such a show would facilitate networking and create a stimulating atmosphere for all concerned with the business of Canadian fashion.

Trade shows are important in promoting Canadian designers and motivating buyers to purchase. It would be interesting to see if Western Canada is taking advantage of this opportunity. A feasibility study would determine whether Canada should showcase a trade show on Canadian soil, bringing awareness to the Canadian fashion industry and to the country as a whole. The yearly Threadz event in Edmonton and Calgary hosts fashion shows, manufacturing tours, educational seminars, and displays ("Special Threadz", 1995). The show brings awareness of the industry to the communities. However, Threadz, unlike a trade show, is too spread out and local to attract outsiders.

Style, Canada's fashion trade magazine has been in circulation since 1888. At that time, it was entitled "*The Canadian Dry Goods Review*", later the name was changed to *Style*. In the past few years some new newsletters have entered the scene, "*Designews*", a newsletter

of the Design Division of the Canadian Apparel Federation is directed specifically towards designers. Another newsletter is currently being produced entitled *FIN* (Fashion Industry News). The majority of large urban centres produce fashion sections in newspapers, usually concentrating on the local fashion scene. For approximately the past ten years Canada has had a television show (*Fashion TV*) hosted by Jeanne Beker, who considers herself a fashion promotor (Mudrick, 1995). Although she admits to supporting Canadian designers, the content of the program is biased towards the larger fashion centres, ie., New York, Paris and Milan, and "big name" designers.

Another promising venture by the Design Division of the Canadian Apparel Federation is *Designlink*. This is a national design information service for employees in the apparel industry, students and the general public. It operates on a fee for service basis, and if you subscribe to *Designews*, you are able to access *Designlink* at a reduced rate ("Designlink up", 1995).

Educational Opportunities

According to Schmidt (1995) training in certain areas of the apparel industry in Canada is an issue that needs focus. Schmidt believes that there is no institution that specifically meets the training needs of the apparel industry. Furthermore, Schmidt states there is little contact between sectors of the industry and educational institutions. Greater cooperation between apparel companies and educational institutions would better prepare students for entry into the industry and benefit manufacturers. On exploring certain aspects of the United Kingdom fashion industry, it was found that the design/art colleges perpetuate a division between creativity and business (Evans,

1990). There appeared to be less emphasis placed on the application of design talents to business practices. The integretion of design and business education is an essential and a primary tool in stimulating an interest in the design profession.

Summary of Literature Review

Canada, because it was establishing itself as a country, was a latecomer to the fashion scene. The women's ready-to-wear industry developed in the 1920s. Designers only began receiving recognition during the late 1960s around the time of Expo 67 (world exposition). Our history has shown that we have not exploited our designers due in part to the small Canadian market, our vast geographic space, and the concentration of the industry in Montreal and Toronto. Finally our propensity to rely on European and American influences delayed manufacturers from employing Canadian designers. However, as early as 1943, business experts were stressing the need for designers with the pending growth of the industry.

An analysis of writing on the history of the Canadian fashion industry and of information from present research indicates fashion-oriented goods are important to competitiveness, since Canada cannot compete on price alone. Although the fashion industry comprises a small percentage of exports, fashionable garments are the most profitable for apparel manufacturers since this sector of the apparel industry is least affected by imports (Schmidt, 1995; Wall, 1994). Research studies have identifed factors (including computer technology and globalization) shaping the future of the apparel industry that will likely have a significant effect on business. Research findings also point out the

importance of business and marketing characteristics of successful apparel companies, and the importance of adapting to change.

Alberta's economy is diversifying with the development of the garment manufacturing industry. Apparel manufacturing is Alberta's second largest consumer products industry and is expected to be the largest in the near future. Concentration on high fashion products for domestic markets and export are where the opportunities exist for local companies according to Schmidt (1995). Identifying "successful" business strategies will be essential to future success of apparel firms. These strategies can be ascertained from descriptive research of vertically integrated companies in Alberta.

Implications from the present study have the potential to serve as a "guide to success" for apparel firms. Outlining the necessary skills and practises required for success will aid in realistic business planning. There are also implications for educational programs with suggestions for improvement and collaboration, ultimately benefiting both the fashion industry and students.

CHAPTER III. METHODS AND PROCEDURES

The purpose of this research was to provide information about a population of fashion businesses in Alberta. The research design and procedures are presented in this chapter.

Conceptual Framework

The conceptual framework used as the foundation for researching vertically integrated businesses was adapted from the conceptual model developed by Sontag and Bubolz (1986). Sontag and Bubolz based an integrated family farm system on an ecosystem model. A human ecosystem can be described as the relationships between humans, their environments and the interaction of these. Sontag and Bubolz's ecosystem model proposed that the family, farm, and the environment are interdependent and influence each other. Additionally, the assumption is made that the family, the farm, and the environment cannot be considered separately, because they make up a complete life system (Sontag & Bubolz). The family located on the farm site is a group of interacting and interdependent persons. The family's characteristics and values influence management decisions and ultimately the outcomes of production. The family functions within the near environment, the farm site which provides material and human resources for production. Management decisions of the family unit are critical in achieving goals and have a direct effect on the quality and quantity of products or outputs. The community (external environment) is an important link to the farm family necessary for its functioning. The community also provides additional economic support from off-farm employment as well as relaying information about new marketing structures. The long range

outcome of this interdependent system is the quality of life for the farm family members, the community, and the environment (Sontag & Bubolz).

Vertically integrated businesses represent another type of human ecosystem and can be incorporated into an adapted version of Sontag's and Bubolz's ecosystem model (Figure 1). The adapted ecosystem model provides a framework for discussing how the designer/owner, the vertically integrated business (economic unit), and the environment are interdependent and influence each other, ultimately accomplishing a quality of life interpreted as "success". The strengths, weaknesses and values of an apparel firm determine the internal limits of the competitive strategy the company adopts, and are critical to the outcomes. The external environmental factors or inputs provide information, resources (material and human), apparel industry's characteristics, retail structures, technology, and policies within the marketplace that affect the competitiveness of the business. The environment provides opportunities as well as threats that define the competitive environment. The fashion industry as a whole is a necessary supportive link to the designer's business. Adapting to changing environments is important to achieving business expectations and "success" as defined by each business.

This adapted ecosystem model (Figure 1) provides a framework for describing a defined population and understanding the interaction and interdependence between the designer/owner, the business and the external environment. Thus, it is an integrated system and it is inappropriate to consider the parts separately.

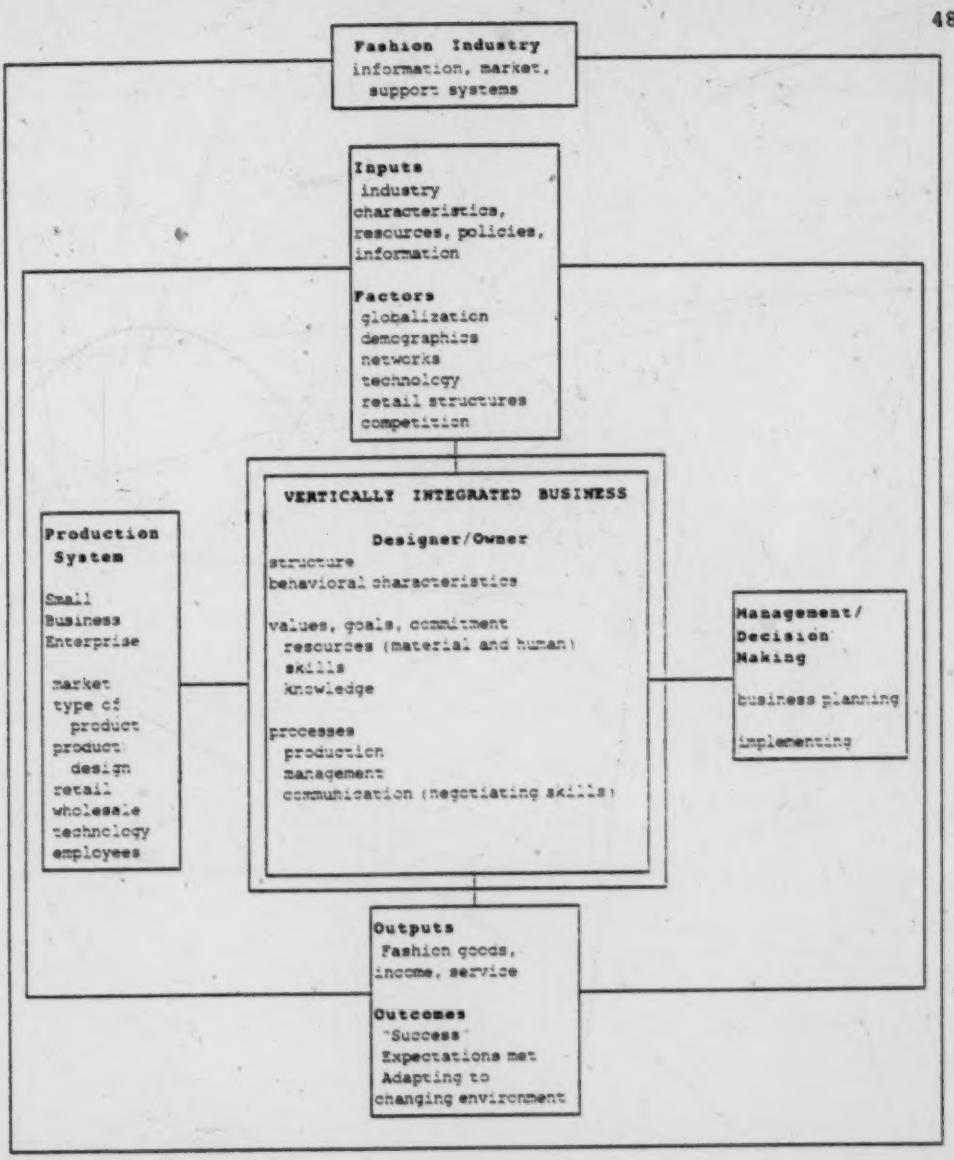

Figure 1. Vertically Integrated Apparel Design Businesses: Ecosystem Model [Adapted from Sontag & Bubolz (1986), A case study in the conduct of human ecological research: The family farm ecosystem].

Descriptive Research

The problem addressed in this study is conducive to descriptive research. Descriptive research is used to represent the particular phenomena under investigation (Palys, 1992). Touliatos and Compton (1988) state that descriptive research is a comprehensive description of characteristics of a defined population or a sample of that population. In other words descriptive research provides accurate information. The descriptive process in this study entails compiling a profile of independent designers in business and describing the effects of techrology, globalization, demographic changes, changing retail structures, and flexible business networks on the competitiveness of fashion design businesses. In addition to the descriptive process, there is an interpretive component, understanding what "success" means to the designer/owner. In fulfilling the objectives of this study two research strategies, survey and case study were utilized.

Surveys deal with phenomena as they exist and variables are not manipulated as in experimental research (Touliatos & Compton, 1988). Survey research in this study was used to provide information about vertically integrated apparel design businesses in Alberta. It gives an indication of professional characteristics, needs, skill requirements; effects of technology, globalization, demographic changes, changing retail structures, and flexible business networks on the competitiveness of fashion businesses as defined by the literature; and the general business strategies utilized by fashion businesses. Data was obtained through the use of a mail-out questionnaire. The survey provides a generalized overview of the population (vertically integrated businesses).

Self-administered questionnaires are an economical and efficient means of collecting quantifiable data (Touliatos & Compton, 1988). However, a particular problem with mail questionnaires is the uncertainty of whether an adequate response will be obtained to represent the population under study. Dillman (1978) developed the Total Design Method (TDM) for both mail and telephone surveys. TDM was developed to help overcome a low response rate. TDM is concerned with two components: firstly, identifying and shaping every aspect of the survey process that affects the quality and quantity of responses; and secondly, the survey is implemented in a detailed manner according to the design objectives. There are three basic techniques utilized to increase the response rate: 1) minimize the costs for the respondent, 2) maximize the rewards for responding and 3) establish trust with the respondent that the rewards will be delivered (Dillman, 1983). Implementation of all three techniques will aid in receiving accurately completed questionnaires, as well as an increased response rate.

Ethnographic inquiry is both a descriptive and an interpretive process (Ellen, 1984). Although this study is not a full ethnographic inquiry, it does use some of the techniques of ethnography. The approach is **inductive** in this study, moving from specific observations towards development of general patterns, rather than a deductive approach (starting from theory). One of the objectives of this study is to gain an understanding of the designer's and the owner's personal construction and interpretation of reality (ie. What is "success"?), an **emic** response. The research strategy, **case study** was used to meet this objective.

The case study is an in-depth analysis within its real-life

context and lends itself to exploratory, descriptive, and explanatory purposes (Touliatos & Compton, 1988; Yin, 1984). For this study, a multiple-case design was chosen for data collection to develop case descriptions. One advantage for utilizing multiple cases is that the evidence is often more compelling (Yin). If "replication logic" is followed in multiple-case studies, as is done with multiple experiments yielding similar results, it is possible to generalize a particular set of results to a broader theory (external validity) (Yin). In case study research, this is called analytical generalization, whereas survey research relies on statistical generalization. It is important to document in detail the procedures followed in a case study as the analysis of case study data is the least developed and defined (Yin). There are three principles to follow when collecting data for case-studies: 1) utilizing two or more sources of evidence, 2) creation of a case-study database by organizing and documenting the data and 3) providing a chain of evidence (Yin). This study incorporated a structured tape-recorded interview (same format for all cases), as well as observation of the production facilities and retail spaces. Observation of the facility increased the validity of the data, and allowed the researcher to understand routine business and design activities, and to see through the eyes of the respondent (Regan, Kincade & Sheldon, 1998; Zeisel, 1981). Documentation of procedures was important so that another researcher can obtain corresponding results. For this study, utilizing survey and case study research strategies complemented each other, enhancing the research process.

The Sample and Description of the Survey Instrument

Two self-administered questionnaires (Appendix A) were developed by the researcher to assist in compiling a profile of independent fashion design businesses in Alberta. The businesses selected for this survey included independently owned companies that design and manufacture fashion apparel (accessory manufacturers were not included), as listed in the "Clothing, Textiles and Sewn Products Manufacturers Directory, 1995" distributed by Alberta Economic Development and Tourism. Both questionnaires were included in the same mail-out package; one questionnaire to be completed by the owner (business manager) and the other questionnaire to be completed by the designer. A separate questionnaire was developed for the designer as some companies are not managed by the designer, and information from the designers was required to fulfill the objectives of this research. The owner (business manager) questionnaire dealt with three aspects of business: general production characteristics, business and competitive strategies and the owner's demographic and behavioral characteristics. A combination of open-ended and closed-ended questions was used to elicit a range of responses not contemplated by the researcher, and to elicit responses the participant may not have considered. Some questions were patterned after those incorporated in Craig and Horridge (1995), *Characteristics of Successful and Less-successful Manufacturers of Women's and Children's Apparel*, and Littrell, Stout, and Reilly (1991), *In-home Businesses: Profiles of Successful and Struggling Craft Producers*. Additional questions were based on the literature reviewed and informal discussions with research colleagues.

An ethics review was conducted by the Human Ethics Review

Committee in the Faculty of Agriculture, Forestry and Home Economics at the University of Alberta to ensure protection of the participants. A pilot study was conducted on a small sample of independent business owners/designers to determine clarity of the instructions and the questions. The questionnaire booklets and cover letter were hand-delivered for the pilot study in the Edmonton area, and picked up personally by the researcher. Revisions were made based on the results of this pilot study.

Data Collection (Survey)

The questionnaire was developed following the guidelines set by Dillman's (1978) Total Design Method. Both questionnaires utilized Dillman's recommendations and were printed as booklets measuring approximately 5 1/2" x 8 1/2". The cover letter included the following information: the name of the researcher, the purpose of the study, how the data would be utilized, the extent to which the answers are confidential, and that the questionnaire is totally voluntary. The mail-out package included the cover letter, the two booklets, and a return self-addressed stamped envelope (Appendix A). The package was mailed to 161 apparel/design manufacturers in Alberta as listed in the "Clothing, Textiles and Sewn Products Manufacturers Directory". One week later a postcard was mailed as a follow-up reminder.

Questionnaires were coded for identification by the researcher. Respondents were assured confidentiality in the analysis of data, and a summary of findings made available if requested. A telephone number was made available by which participants could contact the researcher.

Data Analysis (Survey)

The responses to the mailed questionnaires were computer coded

using SPSS 7.5 (Windows 95) for ease of analysis. Descriptive statistics were used to summarize the data collected from the survey. A profile of independent fashion design businesses in Alberta was developed from this information.

Case Studies

Three cases were selected purposefully in the Edmonton area after the survey was conducted because they fulfilled the requirements of vertically integrated design companies and appeared to be "successful". The cases were defined in this manner to fulfill the objectives of the study. Profiles of "successful" vertically integrated companies were developed from structured interviews reflecting a range of experiences related to their business behaviours. Observation of the production facility and retail space was used as an additional source of evidence.

Initially, selected participants were contacted by phone, followed by a letter (Appendix B). The letter indicated the purpose of the investigation and described how the data would be utilized, as with the survey. As the nature of the business practice is a sensitive area, guaranteeing anonymity is essential. Informed consent is essential since the researcher is entering the private sphere of the individual. A consent form was signed by each, the designer and the owner, prior to the interview (Appendix B).

Another ethics review was conducted by the Human Ethics Review Committee in the Faculty of Agriculture, Forestry and Home Economics at the University of Alberta to ensure protection of the case study participants. Revisions to the interview format were made.

Data Collection (Case Studies)

Data collection for the case studies consisted of two separate structured tape-recorded interviews with the owner and designer (one case respondent was the designer and owner). These interviews lasted no longer than three hours. The instrument utilized for the interview was an expanded version of the survey questionnaire, allowing for more in-depth analysis of the business than the survey could provide (Appendix B). More open-ended questions and probing techniques were utilized. The questions were formatted allowing enough space for the researcher to write the responses and notes while interviewing the participants. The tape recorder was used as a back-up to verify information, and provided detailed responses that would have been difficult to document had a tape recorder not been used.

Observation of the physical environment consisted of a free description (describing what the researcher saw in her own words) of the work space (production area), the retail space, and the design process following a specific format (Appendix B). Loss of data was prevented by describing what the researcher saw with minimal interpretation at the time of observation (Zeisel, 1981).

After the case studies were conducted, individual case reports were written for descriptive purposes. Cross-case conclusions were developed and reported. Finally, the case study results were documented and compared to the results obtained through the survey.

CHAPTER IV. SURVEY RESULTS

This study utilized two research strategies, survey and case study. In this chapter the results of the survey questionnaire are reported, including a description of the survey population and an analysis of the variables. A profile of independent design fashion businesses is developed.

Description of the Survey Population

The survey questionnaire was mailed to a sample of 161 fashion apparel design manufacturers (not accessory manufacturers) in Alberta, as listed in the "Clothing, Textiles and Sewn Products Manufacturers Directory, September, 1995" (population=282 manufacturers) compiled by Alberta Economic Development and Tourism. Twenty-two companies completed both questionnaires that were included in the mail-out package. Three companies completed only one of the questionnaire booklets (one company completed the owner/manager questionnaire and two companies completed the designer questionnaire). Twenty-seven mail-out packages were returned to the researcher labelled address unknown. This high percentage (17.6%) of returned packages may be indicative of a high turnover rate in apparel manufacturing in Alberta. An attempt was made to locate new addresses and some packages were remailed. Eight companies wrote back to the researcher indicating that their business was not suitable for the survey, for various reasons such as businesses that were presently inactive. Twenty-five questionnaires were therefore considered useable for this research, for a return rate of 19.8% (23 questionnaires were useable for analysis of the owner/manager and 25 questionnaires were useable for analysis of the designer).

It is often stated by researchers that low levels of participation by the apparel sector is a limitation for data analysis. Star's (1994) survey of Canadian apparel manufacturers supports the latter statement. Initially, his survey involved selecting a random sample of 50 firms. Because of an extremely low response rate (this percentage was not stated in the report) the questionnaires were modified and a second mailing was sent to 100 firms. Again, the response rate was low and the researcher decided to combine the results of both questionnaire mailings, even though this was not the most scientific way to handle the data. As a result, 20 questionnaires were considered useable for analysis, a response rate of 13%. This research example cites one instance of a low response rate and may help to explain this study's low response rate.

The following results emphasize descriptive statistics and reflect the prevalence of small company size in Alberta. Sixty-five percent of the respondents employ 5 or less employees. Thirty percent of the respondents employ between 12 and 50 staff and one respondent employs 200 workers. Therefore, this is a report on the smaller fashion apparel manufacturing companies in Alberta.

Owner Questionnaire Results

A. *Production Characteristics of the Business*

Production characteristics of fashion design businesses in Alberta were examined. This included the functions performed by the company or the extent of vertical integration, fabric sourcing and the problems encountered, categories of clothing produced, location of the business, extent of computer technology utilized, and finally the perceived

advantages and disadvantages of manufacturing some items off premises.

In describing the functions performed by the firms; 60.9% of the companies indicated that they design, manufacture and retail; 21.7% of the companies design and manufacture products, and one (4.3%) company performs design and retail functions. Two (8.7%) companies design; one of which only designs and the other company designs, as well as offers a design and pattern-making service. Finally, one (4.3%) company indicated that they only manufacture. Therefore, the majority of the companies (86.9%) are performing multiple functions along the supply channel as defined by the term vertical integration. Other functions performed by the respondent companies, included fashion show production (4.3%), design and pattern-making services (4.3%), specialty supply (eg. fabric) (8.7%), and alterations (4.3%).

Responses to a question asking respondents to list all sources of fabric used for production revealed some interesting findings. Seventy-six percent of the companies sourced fabrics in Canada, and 33.3% of companies sourced fabrics in the United States. Mexican sources were not utilized. Other sources included England (9.5%), and the European countries of Italy (19%), France (19%), and Germany (14.3%). Domestic material sources were noted in the literature review as being problematic in the past for Canadian buyers. This questionnaire revealed that Canada is an important fabric supplier for these particular respondent companies.

The most significant problems encountered by Western Canadian designers/manufacturers when sourcing materials included that only large quantities could be ordered from the supplier (73.9%), and a shortage of supplies in Western Canada (60.9%). Late delivery of materials was also

problematic (26.1%). Of lesser significance were the following problems: high tariffs and duties (8.7%), poor fabric quality (4.3%), no variety in supplies (8.7%), out of date materials (4.3%), and difficulty in viewing samples (4.3%). Three companies (13%) indicated there were no problems associated with sourcing materials.

A variety of custom-designed clothing is produced by the respondents (Table 1). The predominant category of clothing produced is women's custom-made clothing (65.2%). In general, the majority of companies are producing all major categories of women's clothing. Custom-made clothing appears to be the largest category of clothing produced for each group. As indicated in Table 1, sportswear and casual wear are also a significant portion of clothing categories produced (sportswear was defined for this group to include swimwear, denim, and outerwear). Career wear for women is produced by 47.8% of the companies. Several companies produce combined groups of manufactured clothing (Table 1). Of note is that 21.7% of the companies produce women's, men's and children's sportswear.

Not included in Table 1 were some additional categories of clothing produced by the respondents. They were not included as only one company was manufacturing for each of the additional clothing categories. These categories included western wear, costume (performing arts), bridal, and t-shirts. The latter category was manufactured by one company for women, men, and children.

The most frequently occurring number of collection lines produced each year was 2 at 44.4%. Five companies (21.7%) purchased or imported finished products to complete their lines.

Business locations are primarily home-based with 11 companies

Table 1

Designed Clothing Categories Produced

Group	n	Clothing Categories					
		Custom-Made f (%)	High Fashion f (%)	Career f (%)	Sports-wear f (%)	Casual f (%)	Evening Formal f (%)
Women	23	15 (65.2)	9 (39.1)	11 (47.8)	12 (52.2)	11 (47.8)	8 (34.8)
Men	23	8 (34.8)	3 (13.0)	2 (8.7)	6 (26.1)	3 (13.0)	3 (13.0)
Child.	23	7 (30.4)	1 (4.3)		6 (26.1)	6 (26.1)	4 (17.4)
Combined Groups							
Women & Men	23	4 (17.4)	2 (8.7)	1 (4.3)	1 (4.3)	1 (4.3)	1 (4.3)
Women & Child.	23	2 (8.7)			1 (4.3)	3 (13.0)	2 (8.7)
Women, Men, & Child.	23	4 (17.4)	1 (4.3)		5 (21.7)	2 (8.7)	2 (8.7)

(47.8%) operating from home. Four companies (17.4%) were located in city centres and 3 companies (13.0%) were located in an industrial area. One company (4.3%) was located in a shopping complex and none were located in a strip mall. One company indicated that their business was situated in an historic building. The physical size of these facilities ranged between 225 square feet and 55000 square feet with no common size evident. An average square footage would not be meaningful, as almost every facility was markedly different in size.

Twenty-four percent (n=7) of the companies did not attend any

trade shows during the past 12 months. Of the remaining companies, Vancouver, Edmonton, and Calgary were the main cities where trade shows were attended. No name was given for these shows. Two companies had attended shows in Montreal. One company went to a trade show in each of the following cities: Toronto, New York, Los Angeles, Las Vegas, Munich and Milan. No respondent had attended a show in Dusseldorf.

Utilization of computer technology appeared to be predominantly for accounting/administration (87%) (Figure 2). Twenty-six percent of the companies were communicating with their buyers via computer and 17.4% of the companies were communicating with their suppliers. Few companies reported using computer technology for the actual production stages of apparel. No company was using computer technology for cutting fabric.

The question on the type of computer system utilized was not well answered. Most companies that responded (n=8), reported the program used rather than the actual computer system. One company utilized the Lectra^{R} system (specifically designed for the apparel industry) for pattern and marker making. A variety of software was mentioned such as Microsoft and MS Works.

The reasons for utilizing technology are: to increase administrative efficiency (63.2%), to reduce production time (53.3%), to reduce the costs of creating new lines (40%) and to communicate with buyers (40%) (Table 2). Few companies are utilizing computer technology for the production stages of manufacturing. In answering this question, the participant responses probably reflect what they believe are reasons for using computer technology.

Eight companies described advantages and disadvantages of

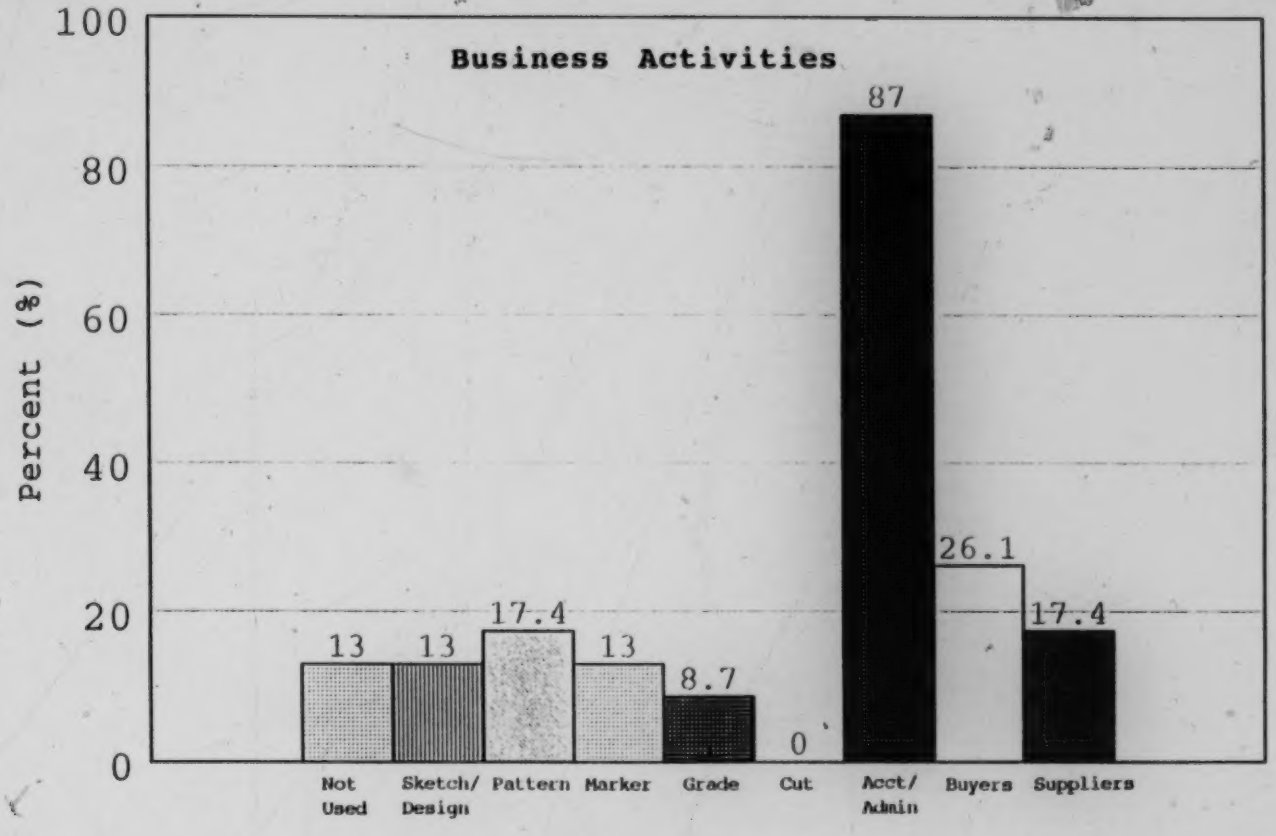

Figure 2. Utilization of computer technology to assist with various production activities.

Table 2

Reasons for Utilizing Computer Technology

Reasons	n	Importance 1 Very NB f (%)	2 f (%)	3 Some-What NB f (%)	4 f (%)	5 Not NB f (%)	Mean Level of NBance
Reduce Production time	15	8 **(53.3)**	2 (13.3)	2 (13.3)		3 (20.0)	2.2
Reduce Costs of Creating New Lines	15	6 **(40.0)**	2 (13.3)	2 (13.3)	2 (13.3)	2 (13.3)	2.5
Test Styles	13	2 (15.4)	2 (15.4)	4 (30.8)	2 (15.4)	3 (23.1)	3.2
React Quickly to Market Demands	15	4 (26.7)	3 (20.0)	5 (33.3)	1 (6.7)	2 (13.3)	2.6
Inc. Admin. Efficiency	19	12 **(63.2)**	2 (10.5)	5 (26.3)			1.6
Commun. Suppliers	14	4 (28.6)	3 (21.4)	4 (28.6)	3 (21.4)		2.4
Commun. Buyers	15	3 (20.0)	4 (26.7)	6 **(40.0)**	1 (6.7)	1 (6.7)	2.5
Reduce # of Staff	12	4 (33.3)	3 (25.0)	2 (16.7)	1 (8.3)	2 (16.7)	2.5

manufacturing items off premises. The most common advantage reported by the respondents was a noticeable decrease in production costs (50%) by manufacturing off premises. Other advantages included decreased turnaround time and production capability, exact costing, not having to provide necessary equipment and ease in managing their own company, each at 12.5%. Disadvantages included problems with quality control resulting in poor garment quality (50%), and an increase in distribution time (12.5%). One company felt that their market was limited as a result of manufacturing off premises, with no explanation given as to why this was so. "Piecework" was mentioned as a disadvantage, with no further explanation given. An increase in production costs and decreased flexibility were also reported as disadvantages.

B. *Business and Competitive Strategies*

This section includes a report on general business strategies used by the respondents, as well as marketing and product distribution practices. The extent of exporting products is reported, as well as other competitive strategies.

The respondents reported that they need business information on product design and development; specifically marketing the product (59.1%), product development research (59.1%) and sourcing information (45.5%) (Table 3). Technological information is reported as somewhat needed by 37.5% of respondents. Lesser needs were indicated for information on general business activities, routine record keeping, financial planning and insurance/licenses/taxation.

Marketing Practices

The majority of companies (n=22) reported discussions with

Table 3

Business Information Required

Information Needed	n	Need 1 Most Needed f (%)	2 f (%)	3 Some Needed f (%)	4 f (%)	5 Not Needed f (%)	Mean Level of Need
Routine Record Keeping	22	3 (13.6)	5 (22.7)	5 (22.7)	2 (9.1)	7 (31.8)	3.2
Finan. Plan	22	5 (22.7)	6 (27.3)	5 (22.7)	1 (4.5)	5 (22.7)	2.8
Ins. Lic. Tax.	22	3 (13.6)	5 (22.7)	8 (36.4)	1 (4.5)	5 (22.7)	3.0
Mark. Your Product	22	13 **(59.1)**	5 (22.7)	2 (9.1)		2 (9.1)	1.8
Product Development Res.	22	6 (27.3)	13 **(59.1)**	1 (4.5)	1 (4.5)	1 (4.5)	2.0
Source Info.	22	7 (31.8)	10 **(45.5)**	3 (13.6)	1 (4.5)	1 (4.5)	2.0
Technology Updates	16	5 (31.3)	6 **(37.5)**	4 (25.0)		1 (6.3)	2.1

customers (100%), and observing customers in their environment (77.3%) (for example, attending social functions or observing customers in their work environment) as methods used for understanding customer needs. The use of trade publications (45.5%) was also a relatively important means

of understanding customer needs.

Target markets were difficult to ascertain, as this question was not answered clearly and was left blank by 35% of respondents (n=8). The majority of companies (approximately 89%) target all of the following age groups: early adulthood (25-35 years), middle age (35-50 years), and 50-65 years. Forty-seven percent of the companies target the middle to upper income earners, 17.6% of companies target the upper income earners, and 23.5% of companies target middle income earners. The predominant lifestyle categories targeted are professional/career (41.2%) and leisure/active (23.5%).

The image most companies try to project to their customers is a producer of a high quality product (90.9%), followed by products that are fashion forward (45.5%). Selling a lifestyle and presenting a business-like image were each important to 27.3% of the companies.

Customized orders (80%) are the main specialty service offered to customers by the respondents (n=20). Catering to specific customer needs (55%) by visiting their place of business or home, and wardrobe consulting (75%) are other important services offered.

When asked about promotional strategies, 64% of the companies produce brochures, and 50% of the companies send fashion show invitations to customers (Figure 3). Media advertising including television, radio, fashion and trade magazines are utilized by few companies. Direct customer contact through potential corporate clients is an important means of promotion.

The reported percentage of the budget spent on promotion ranged between 0 and 20%. Twenty-five percent of the companies spend 10% of their budget on promotion. Fifty-five percent of companies

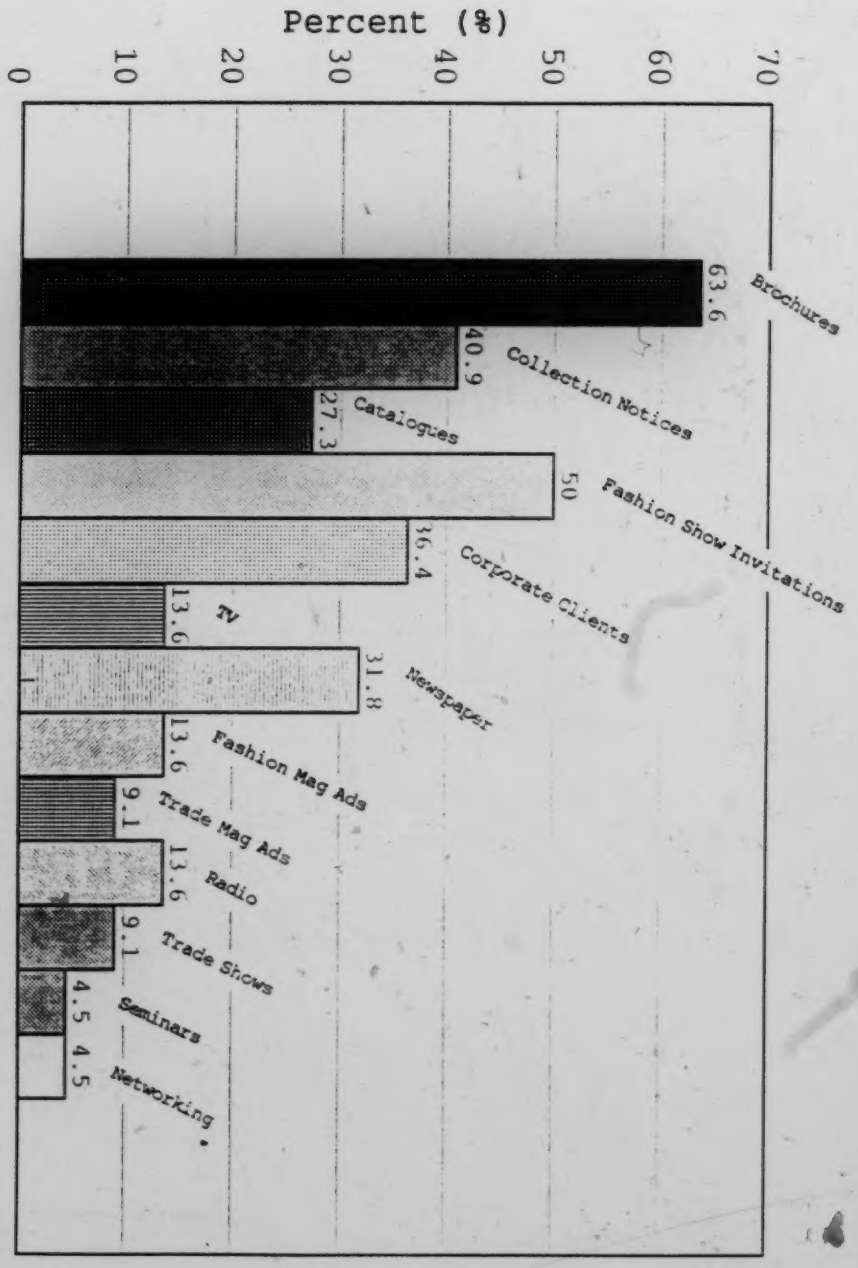

Figure 3. Methods of promotion utilized by the respondents.

spend between 0 and 5% of their expenditure on promotion. Fifteen percent of companies spend over 10% of their budget on promotion.

There was some confusion concerning the question about percentage of regular retail clients. In some cases the percentages did not add up to 100, therefore, only 10 responses were useable in ascertaining the percent of retail and wholesale customers that are regular clients. Three companies (30%) possess a regular customer base consisting of 90% retail and 10% wholesale customers. Four companies (40%) conduct business with all retail customers. Two companies (20%) have a regular customer base consisting of 80% retail and 20% wholesale customers, and one company operates a 100% wholesale business.

Product Distribution Practices

The distribution of products within the domestic market is primarily through independently owned retail outlets (61.9%) (Figure 4). Five of the 13 companies (that sell through their own retail outlet) only distribute products through this outlet (Table 4). Local Alberta outlets, mail order and special contracts are other means of distribution through the Canadian market. Canadian retailers (other than Alberta) do not appear to be major distributors of the respondents' products.

Figure 5 reveals a slight increase in percentage rate of growth for the respondent companies in 1994 as compared to 1993. In general, for the year 1995, a large proportion of companies (41.7%) experienced an increase in growth, except for 4 companies. Case number 4 reported zero growth for the year 1995. Two companies (case #19 & 20) experienced a loss in sales from the previous years. Case six only reported for the year 1995, indicating a 200% increase rate of growth.

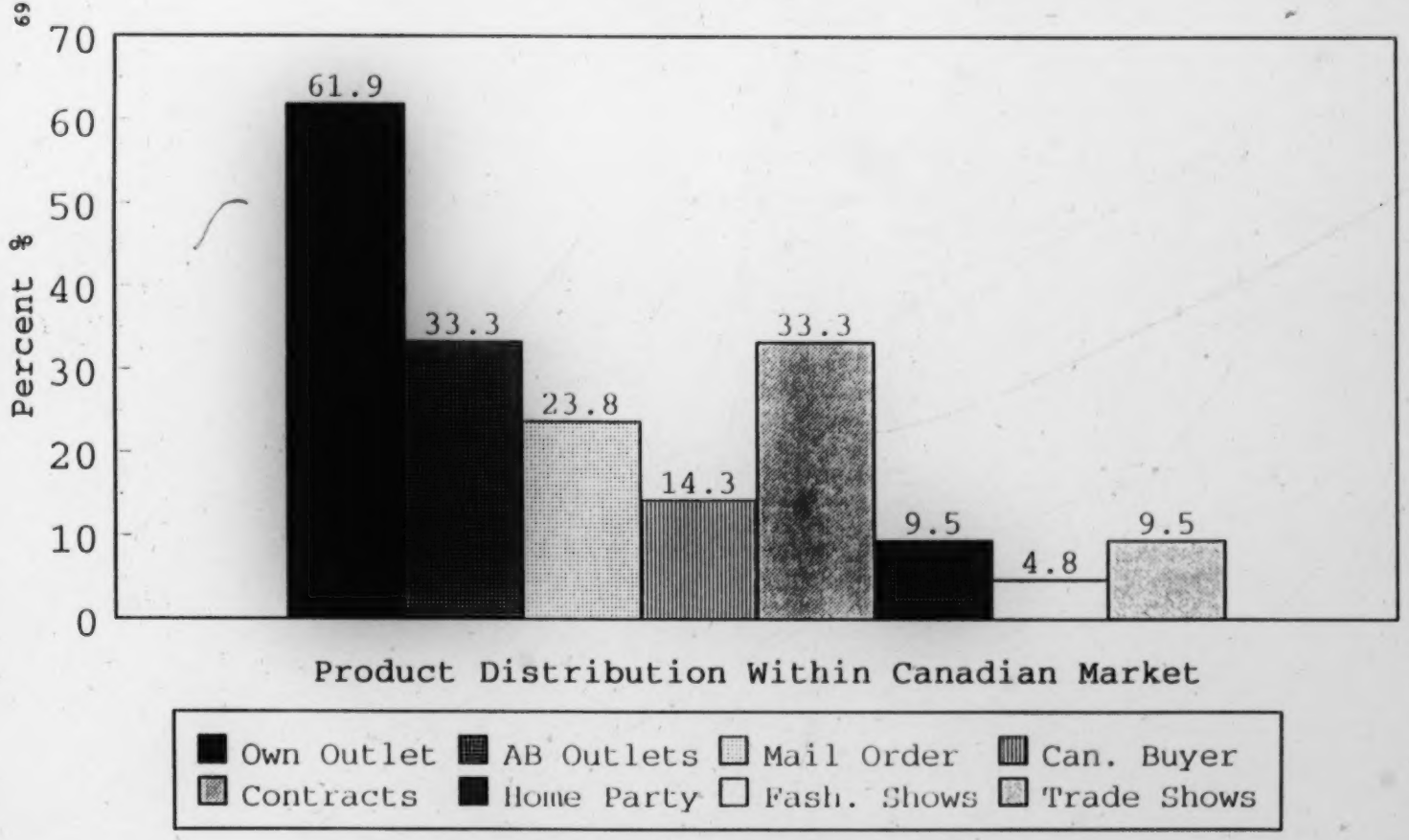

Figure 4. Product distribution by various means within the Canadian market.

Table 4

Percentage of Product Distributed by Various Means Within the Canadian Market

Case Number	Your Own (%)	Alta. Outlets (%)	Mail Order (%)	Can. Buyer (%)	Spec. Contract (%)	Home Party (%)	Fash. Shows (%)	Trade Shows (%)
1			90	10				
2							50	
3	15	40		44	1			
4		50			50			
5						0		
6		20			0			
7	40	10	10		20			
9	20				80			
10	90							10
11	**100**							
12	80	5	5		10			
13		25		25	25			
14	**100**							
15		0						
16								85
17	98		2					
18	0							
19	40		20			40		
20	**100**							
22	**100**							
23	**100**							

Note. 0 represents that the variable was chosen but no percentage was given for amount distributed.

Case number 3 indicated a 100% increase for each year. Ninety percent of the companies expect an increase in sales by the year 2000. One company reported a decrease in sales and one company expected no change by the year 2000.

The fashion businesses surveyed in this study are not actively involved in exporting. Seventeen percent of the companies export. The United States is the primary importer of their products.

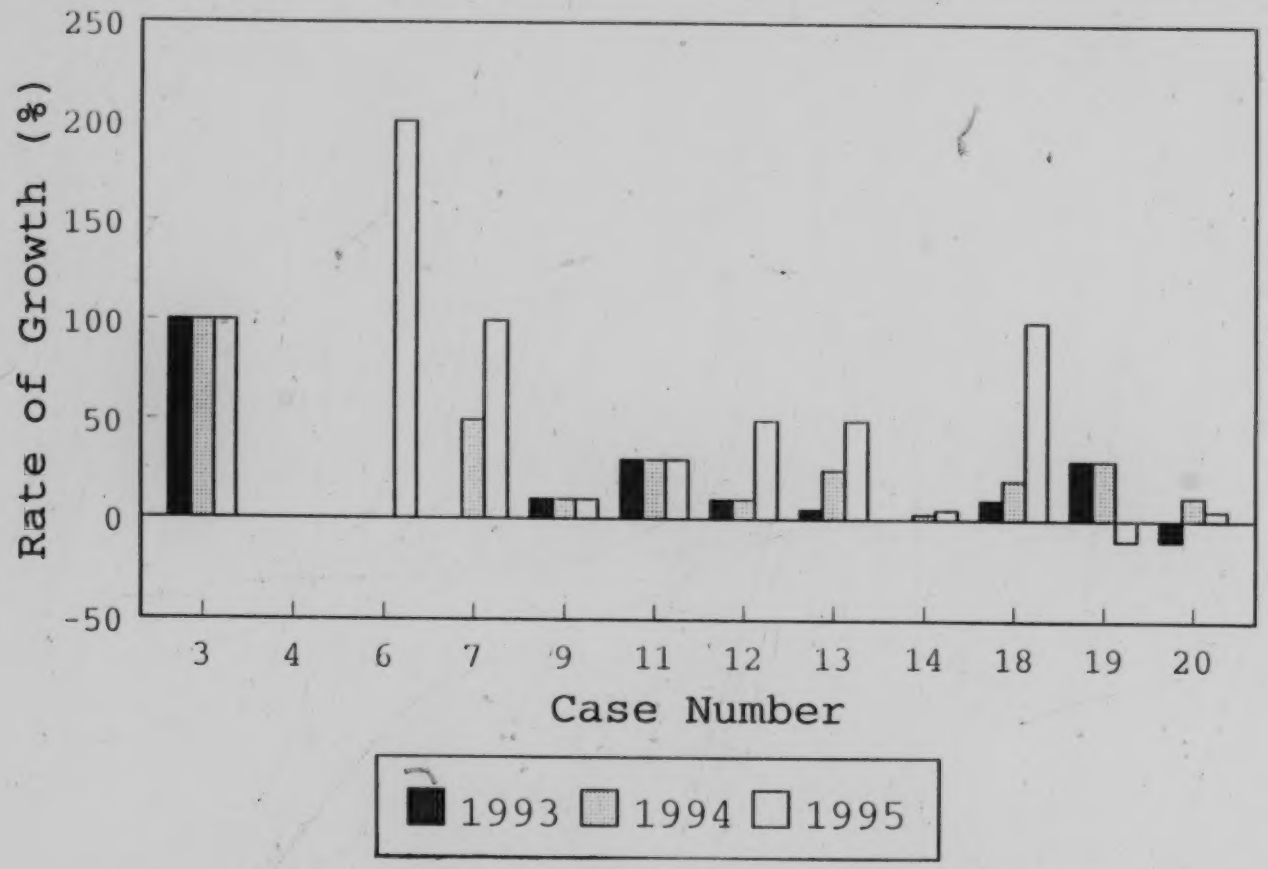

Figure 5. Percent rate of growth in sales for respondents during the years 1993, 1994, and 1995.

No products are exported to Mexico or Great Britain. Of the 4 companies that export, only one company reported that the products exported are different from those produced for the domestic market.

The reasons reported for exporting products include a large and diverse customer base, and an increase in company growth. There were more reasons given for not exporting products. These include no formal contacts, small company size, and a lack of experience, knowledge and capital. Two companies stated that their business was simply not ready to expand into other opportunities. Two companies indicated that their businesses were exploring the possibility of exporting products. One company felt that their product mix of only custom-made clothing was not suitable for export.

Cross-tabulating those companies that export and where materials are sourced from revealed that two companies sourced the United States, and in addition, one of these companies sourced Canada. One company was sourcing Europe only. Case number 13 did not indicate where fabric was sourced from.

Company Size (Employee numbers)

There are more full-time staff employed by Alberta companies than part-time or contract employees. Ninety-five percent of the respondents employ less than 100 workers. Sixty-five percent of the companies reported employing 5 or less staff. Thirty percent can be described as mid-size companies, employing between 12 and 50 staff. One company employs 200 workers. Approximately 48% of the companies were home-based and of these companies, 89% employed 5 or less workers. One of the home-based companies employed 18 contract workers.

Finding trained sewers was the most difficult task for companies

(72.2%). Finding sales personnel was moderately difficult for 22.2% of the companies.

General Business and Competitive Strategies

Networking is important to the respondents primarily to strengthen business opportunities (61.1%) and to provide assistance in seeking new markets (44.4%). Thirty-three percent of the respondents reported that networking was not important to their firm. Moderate importance was reported for reducing costs of production (22.2%) and increasing competitiveness with larger companies (22.2%).

It is not surprising that great importance is placed upon commitment to customer service (90.9%) and to high quality (90.9%), considering the prevalence of customized orders produced by the respondents (Table 5). Of some importance is the commitment to price (40.9%) and the use of latest technology (54.5%). Training of employees is considered important for 38.1% of companies.

Forty-one percent of companies have a formally written business plan, however, 90.9% of companies reported that they evaluate their business goals on a regular basis. Forty-six percent of companies reported that they designate certain individuals or a group of employees to work specifically on marketing.

Thirty percent (n=10) do not subscribe to any trade publications or consult trend/forecast services. Of those receiving trade publications, 30% subscribe to *Style* and 20% subscribe to a variety of European fashion magazines. *Bobbin, Canadian Apparel Manufacturer, WWD* (Women's Wear Daily) and *Threads* were each mentioned by one company.

Table 5

Company Commitment to Various Competitive Strategies

Strategies	n	Importance 1 Most NB f (%)	2 f (%)	3 Some NB f (%)	4 f (%)	5 Least NB f (%)	Mean Level of NBance
High Quality	22	20 **(90.9)**	2 (9.1)				1.1
Train. of Staff	21	8 (38.1)	3 (14.3)	4 (19.0)	2 (9.5)	4 (19.0)	2.6
Cust. Center. Product Development	21	7 (33.3)	9 **(42.9)**	4 (19.0)	1 (4.8)		2.0
Unique Design	22	7 (31.8)	8 (36.4)	5 (22.7)	1 (4.5)	1 (4.5)	2.1
Competitive Price	22	7 (31.8)	6 (27.3)	9 **(40.9)**			2.2
Use of Latest Technology	22	1 (4.5)	2 (9.1)	12 **(54.5)**	4 (18.2)	3 (13.6)	3.3
Cust. Service	22	20 **(90.9)**	2 (9.1)				1.1

C. ***General Characteristics/Owner Demographics***

The year of business establishment for the respondent companies ranged from 1962 to 1996. Two companies were established in the early 1960's and the other companies were established between the years 1987 and 1996. Therefore, 90% (n=20) of the companies have been in business 10 years or less.

Eighty-six percent of the respondents design as well as own and manage their company. Nine percent of the respondents just manage the company they work for. Sixty-four percent of the respondents were female and 36.4% were male. The majority of respondents were relatively young, between the ages of 26 and 35 years (45.5%), followed by 36.4% who were between 36 and 45 years. Fifty-nine percent were operated as a sole proprietorship and 36.4% are incorporated. One company is a partnership arrangement.

For 59.1% of the respondents (n=22), the company is their sole source of income. The number of hours per week devoted to the company ranged from 8 hours to 128 hours, with 50% of companies devoting between 50 and 60 hours per week to the business. When sole source of income was cross-tabulated with the number of hours spent on the business, 69.2% worked between 50 and 70 hours per week. A large proportion of time appears to be spent on product development (mean=27.1%) and management activities (mean=25.5%) (Table 6). Less time is spent on business communication, marketing and research.

Fifty percent of owners attended a business seminar within the last year. Thirty-six percent of owners attended a business seminar within the past 2 to 5 years and 13.6% had not attended one in 5 years. The business experience of the respondents (n=13) included

Table 6

Percentage of Time Spent in Various Business Activities

Case # n=19	Manage Activity (%)	Design (%)	Product Dev. (%)	Bus. Comm. (%)	Marketing (%)	Research (%)
2	30	10	10	30	10	10
3	65	0	20	0	5	10
4	25	25	25	5	10	10
5	10	25	50	5	5	5
7	30	5	15	10	20	10
9	60	0	0	20	20	0
10	15	20	40	10	10	5
11	60	10	10	10	10	0
12	50	15	10	5	10	5
13	25	25	25	10	15	0
14	5	20	60	10	0	5
15	5	15	50	20	10	0
16	5	10	60	5	10	10
17	25	5	25	5	35	5
18	26	14	15	15	20	10
19	5	10	60	5	20	0
20	10	30	0	60	0	0
22	15	10	30	10	30	5
23	20	50	10	0	10	10
Mean	25.5	15.7	27.1	12.4	13.2	5.3
SD	19.4	12.0	20.4	13.6	9.1	4.2

management/administration (30.8%), accounting/bookkeeping (23.1%), marketing (23.1%), secretarial (15.4%) and apparel production (15.4%). To a lesser degree computer experience (7.7%) and banking (7.7%). Twenty-three percent of the respondents had no previous business experience.

A large proportion of respondents had received post-secondary education; 43.4% from university, 39% from a technical school, and 30.4%

from a fashion college. Sixty-seven percent of those who attended a technical school received their education from NAIT (Northern Alberta Institute of Technology, Edmonton, Alberta) in a variety of programs. Twenty-nine percent of those who attended a fashion college received their education from FIT (Fashion Institute of Technology) in New York. Of those respondents (n=10) attending university, 22.2% had received their education in the Faculty of Home Economics. There were few certificates/degrees actually obtained in dressmaking/tailoring or design.

Certain business skills were examined utilizing rating scales. It appears that respondents have a good working relationship with their customers, with 72.7% saying they have a satisfactory relationship. The relationship with buyers and suppliers was less satisfactory with 35.3% and 45.5%, respectively rating it as such. Respondents were asked to rate their ease in delegating and implementing new business practices, as well as their comfort level with financial risk. Delegating duties (50%) and implementing new business practices (45.5%) do not appear to be causing too much difficulty for the respondents. A large proportion of respondents feel only somewhat comfortable (63.6%) when taking a financial risk.

There are problems associated with being isolated from the main centres of fashion in Canada. The most significant problems for the respondents appear to be the distance from material sources (68.2%), difficulty in purchasing small quantities of these material sources (59.1%), and buyers only supporting familiar names (45.5%).

Fifty-two percent of the respondents are in the fashion business for enjoyment or passion for their work. Thirty-three percent are in

this particular business because it offers a creative outlet. Other personal reasons for being in this business included the freedom of being self-employed (14.3%), financial control (14.3%), the ability to utilize the skills trained for (9.5%), challenge of a demanding career (9.5%), family business (4.8%) and the social contact (4.8%).

Respondents were asked to list three criteria for success (Table 7). The three most important criteria given by 94% of respondents, are customer satisfaction, profit and quality. Customer satisfaction is most often defined as important to "success" of the company.

Table 7

What Defines "Success"

Factors n=22	Crit#1 f(%)	Crit#2 f(%)	Crit#3 f(%)	Total f(%)
Customer Satisfaction	8(36.4)	3(13.6)	6(28.6)	17(77.3)
Profitability	3(13.6)	3(13.6)	3(14.3)	9(40.9)
Quality	3(13.6)	3(13.6)	1(4.8)	7(31.8)
Personal Satisfaction	3(13.6)	1(4.5)	1(4.8)	5(22.7)
Financial Security	2(9.1)	1(4.5)	3(14.3)	6(27.3)
Acceptance/ Recognition	2(9.1)	2(9.1)	1(4.8)	5(22.7)

Designer Questionnaire Results

A separate questionnaire for the designer was included in the mail-out package to companies, as some companies employ individuals solely to design. It was also used to gather information concerning work experience as a designer, education/training, and awards received.

Designer Demographics

Seventy-five percent of the respondents (n=24) were female with 50% between the ages of 26 and 35 years. Another 29.2% fall between the ages of 36 and 45 years. Approximately 80% (n=20) received their design education at a college or technical school; 15% of respondents were trained at Marvel Fashion College (Edmonton, Alberta) and 15% were trained at the Northern Alberta Institute of Technology (NAIT, Edmonton, Alberta). Ten percent were trained in New York city at Parsons and the Fashion Institute of Technology (FIT). Twenty-five percent received design education at various universities in Canada and one from the University of Munich.

The number of years worked in the apparel industry ranged from 3 to 45 years with 29.2% of respondents having worked for 10 years in this industry. Another 16.7% worked for 5 years in the apparel industry. Seventy percent of respondents worked in Edmonton as a designer. Another 26.1% worked in the city of Calgary. No one had worked in either Montreal or Toronto as a designer. A few worked in Vancouver and Winnipeg. One individual worked in New York city as a designer. Approximately 36% of respondents worked for only one other company as a designer followed by 22.7% who worked for no other company as a designer, and 18.2% worked for three other companies.

Sixty-two percent of respondents had never received an award as a

designer. Eight percent of the respondents had applied for the Matinée Foundation Award. One respondent each had received the Woolmark and Dubonnet awards (important Canadian awards). Twelve percent of designers had entered their collections in a major Canadian Designer Showcase (for example, *The Toronto Ready-to-Wear Show*). Forty-six percent of designers reported that their products are promoted under their own name.

Business Characteristics of Designing

Forty-one percent (n=9) of the respondents had heard of Designlink, a relatively new resource centre in eastern Canada. Those that had heard of Designlink used it as a resource for fashion facts (83.3%) and all had utilized it as a resource for personalized research and consulting services. Seventeen percent had heard of Designlink but had not utilized their services.

There were various reasons given for why Alberta was chosen as a place to work as a designer. The most prevalent reason given was that Alberta was "home" (59.1%). Other reasons included: family connections (9.1%), economic reasons (13.6%), western Canadian influence (4.5%), spouse's career (18.2%), and the company worked for was part of an existing business (4.5%).

Lastly, designers were asked how they would rate the support received in their professional career from five groups (Table 8). Overall, the respondents felt government to be unsupportive, particularly the Municipal government. Respondents felt that the Canadian Apparel Federation was not too supportive (57.5%). No group was considered very supportive of designers, and the media was considered only minimally supportive. Of note is that Designer

Associations were equally rated for being supportive and not supportive (31.6%).

Table 8

Support Received as a Designer

	n	1 Very Support-ive f(%)	2 f(%)	3 Support-ive f(%)	4 f(%)	5 Not Support-ive f(%)	Mean Level of Support
Prov. Gov.	22	3 (13.6)	2 (9.1)	5 (22.7)	4 (18.2)	8 **(36.4)**	3.5
Munic. Gov.	22		2 (9.1)	5 (22.7)	5 (22.7)	10 **(45.5)**	4.0
Media	21	3 (14.3)	4 (19.0)	5 (23.8)	7 **(33.3)**	2 (9.5)	3.0
CAF[a]	21	1 (4.8)	5 (23.8)	3 (14.3)	5 (23.8)	7 **(33.3)**	3.6
Design Assoc.	19	2 (10.5)	4 (21.1)	6 **(31.6)**	1 (5.3)	6 **(31.6)**	3.3

[a]CAF is the abbreviation for the Canadian Apparel Federation.

Respondent Comments

There were few additional comments made by the respondents. However, there was one suggestion made that could be beneficial for this industry; support from the Alberta Government for an "Alberta Made" program for garment manufacturers (for example, "Alberta Made" hang tags, "Alberta Made" advertisements). This type of program has been implemented for Alberta food products.

CHAPTER V. CASE STUDIES

This chapter contains the results of the three case studies performed in the Edmonton area. Individual profiles of the three companies are developed through case descriptions.

CASE A

The female owner of this fashion company (sole proprietorship) is also the designer. She is also a partner with another individual in a retail outlet that sells her designs. The latter outlet is not located in the main production facility. This outlet will be referred to as the second outlet throughout the following case description. The owner's reason for being in this industry is an undeniable "passion" she has had since she was a young child. Why Alberta? - this is where her family lives and Alberta is a safe environment in which to live.

Her educational background includes a two year fashion design program from the Fashion Institute of Technology (FIT) in New York city. An additional certificate in tailoring was also received at this institute. Prior to attending FIT, she went to Red Deer College but did not complete a business program. After finishing at FIT, she freelanced for a time in New York. Following this, she worked four years in Toronto as a designer for a wholesale company specializing in bridal, misses' and children's wear. At this company she gained experience on the Gerber computer system. While in Toronto, she became interested in opening a designer retail outlet, but because the real estate prices in Toronto during the 1980's were very high, her father suggested that she come to Edmonton and open a business. Prior to the present location, the company was situated in a high-end strip mall. Because of high

costs and limited parking, she chose to move the business to a residential area that is surrounded by a few other businesses.

Production Characteristics

This company is vertically integrated, performing the functions of design, manufacturing and retail. The functions have changed over time; the second outlet was recently opened. The products for the second store are designed as in the main store, but the clothes are manufactured by separate staff at the main facility. At the second retail outlet numerous products sold are not designed by the main company. The main facility houses the production area and design studio (1450 square feet) and the retail outlet (950 square feet).

The reasons given for being vertically integrated included that hands-on experience educates one about the product and the production process. Because she wants to freelance her design skills outside of Edmonton, the designer/owner felt that with this experience she could walk into another manufacturing plant and show others how to proceed. In addition, if a company wishes to manufacture in a city like Hong Kong, it is often required that the company own many other stores before they will consider manufacturing your products. Being vertically integrated alleviates this problem. The main concern with vertical integration is the lack of time. Because there is so much work with diversification, having time for yourself is difficult.

Fabrics are sourced from Italy, Germany, France and Korea (microfibers). No Canadian sources are utilized as the fabrics available are too coarse and low-end; mainly used for quilting and upholstery. The designer/owner indicated that European fabrics are

durable, last longer and are of high quality. However, they are expensive to buy. Even so, in the end a reasonable price is possible for the consumer. The explanation for this was that her company sells a little above wholesale price, and doesn't charge a full mark-up (where wholesale cost is doubled), therefore, the garments are less expensive for the consumer, but of high quality.

There were some problems encountered when sourcing materials. It is often difficult to order small quantities, particularly for a small company. The respondent stated that the minimum requirement for an order is at least 200 meters. Also, the owner indicated that there are no agents in Alberta to source materials for you. The agents located in Vancouver usually cover the Prairie Provinces. She has, however, built a relationship with the suppliers from Montreal that makes sourcing easier. The agents often come from Montreal to visit her and select materials according to her requirements.

The company specialization is suits for career women. Casual and career clothing for young women is manufactured for the second retail outlet. The categories of clothing produced have evolved over time. The most popular change, introduced about 2 years ago, was making suits for working women suitable for "nighttime". This move adheres to the philosophy that women do not have time to shop and want multi-purpose garments. The garment pieces can be mixed and matched; for example putting together a long skirt with a jacket, adding a few accessories and the garment is suitable for evening wear. Women are also buying transitional clothing, pieces that can be worn year round.

Five collection lines are produced for the main retail outlet and four for the second outlet. The company also purchases finished

products to complete the lines for both outlets. A new designer (usually for knitwear) is added every season just to make the store different. A small amount of lingerie, jewellry, hosiery and gift ideas (such as hair accessories) are also purchased. This season the owner brought in some home accessories for the main outlet because in the neighbourhood there are not a lot of giftshops. As yet, there has been no feedback as to the addition of home accessories.

Computer technology is presently used for routine record-keeping (supplier lists), accounting and banking. The company is in the process of purchasing a Gerber system (a computer system specific to the apparel industry) in stages. The illustration/design system will be purchased first, followed by the plotter. It was stated that to bring in the whole system from the United States will cost approximately $50,000. The software alone costs approximately $17,000. It was stated that the reason for utilizing technology was to "stay on top of everything"; she doesn't want to be left behind. Her future plans include utilizing this technology to assist in freelancing designs to Asia. It was noted by the owner that many suppliers she deals with are not "high tech".

The respondent indicated that it would take approximately 1 year to recover the costs from purchasing new technology for the illustration/design system and approximately 4 years for the remainder. The owner said that Gerber hardware has basically remained the same since 1988, only new software has been added. The software is expensive because there is not a lot of competition in this industry.

Sweaters are the only garments that are manufactured off-premises. The owner designs the sweaters and has them manufactured in Hong Kong. The advantages of manufacturing off-premises include decreased

production costs and greater variety. However, the disadvantages include the distance, problems with ordering small quantities and the risk of bringing in too much of the same item.

Business and Competitive Strategies

The owner felt that their company is "always" in need of business information. When you own a small company, it is important to look at the "big picture". For example, it is important when marketing clothing that you are constantly aware of what everyone else is doing, including the large department stores. For her, it is important to diversify her skills. At present, she is building her freelance career (selling designs).

Marketing Approach

This company does not employ individuals specifically to do marketing. The owner is responsible for marketing. However, it is of interest that a group of about 5 women including herself, from various businesses in the Edmonton area meet regularly to discuss business practices in Edmonton and try to help each other with problems.

The most important means of determining customer needs is accomplished by one-on-one interaction with the customer and feedback from the store manager. The designer also attends many functions where the customer is observed in their environment. The philosophy of this company is to "help" the customer, as the owner feels that it is insulting for the customer to be told what to wear.

The trend publications subscribed to include: *Women's Wear Daily (WWD)*, most of the North American fashion magazines such as *Vogue* and *Bazaar*, and the European magazine, *Collezione*. The designer indicated

that *Collezione* is considered a forecast magazine, as some of its trends do not appear in North America for about 2 years. Pictures are cut out of this publication and put in a drawing book for each season's collection. This is used to influence and give the staff a general idea of what the company is striving for. The ideas are ultimately changed to satisfy their customer. The owner also indicated that *WWD* is considered the "bible" (this was taught at FIT), with everything from fabric to business trends. No forecast or trend services are consulted by this company.

The target market for the main outlet is professional women, with no specific age group in mind. The second outlet caters to junior and young career women. Initially, the target market for the second outlet included men and women, but it was felt that there was so much money in women's wear that too much "wasted space" was taken up by men's wear.

It was stated that the image this company tries to project to its customer is a friendly and approachable one. The company was described as fashion forward but with "realistic" designs, in that they are practical, comfortable, and wearable. Producing high quality garments is important, as well as selling a "working" lifestyle. Providing low cost items is of medium concern. However, the designer continually asks herself "would I pay that" for an outfit.

Special services offered to the customer include fittings and alterations which are included in the price of the garment. Alteration services are done quickly, for customer convenience. Lay-away plans are not offered. It is believed that by the time the customer pays for the item, they will want something different. The only customized orders offered are for certain customers with special sizes, who will spend a

large amount of money at one time.

Promotion

Marketing directly to the customer through phone calls or letters is the main promotional method utilized. For example, Spring/1998 "suit promos" in a letter format, with enclosed fabric samples, were sent to select customers. The designer noted that this was a time-consuming process, but the customer appreciated being able to view the fabric samples.

Collection catalogues are produced. One of the catalogues from 1996 received a photographic award from a marketing magazine. At present, this business is not involved in fashion shows. The designer feels that attending fashion shows can waste the consumer's time. People are busy and if the customer is aware that the event is a small show, they may not attend. The owner/designer believes that a business shouldn't demand too much of their customer's time. However, once the company's design studio is completely renovated, the designer will consider having in-house fashion shows.

In the past, the newspaper has promoted her company satisfactorily. Presently, her garments are worn by a few television anchors, and she feels that the company gets enough business from television advertising, that it doesn't require promotion through the newspaper.

The owner feels that "word-of-mouth" has been the company's best marketing tool. Over time, less promotion has been utilized. It was expressed by the owner that it is difficult to keep up. The company has found its niche and now must maintain it. Approximately 10% of the budget is spent on promotional activities.

Distribution Practices

This company distributes 100% of its product through its retail outlets. Wholesale distribution is not practiced now. The owner indicated that wholesaling became too expensive, particularly because the company's clients were based in the United States. The owner is not interested in domestic expansion, but it is possible that the second outlet will expand.

The percentage rate of growth in sales over the past 5 years has been approximately 30% per year. The owner tries to surpass the previous year in sales.

At the present time this company is not exporting. In the past, products were exported solely to the United States. There was interest expressed from companies in Japan and Germany, but nothing materialized. The decision to export at that time was researched, by exploring various trade shows to attend, market research, and financial planning. The reasons given for discontinuing exporting products were overall complications including increased production, more experienced staff required, and the owner wasn't prepared to travel back and forth. NAFTA did not pose great difficulty for this company, other than the expense and a significant amount of paperwork.

When asked if the owner networks with other company owners, the owner replied that "networking" is a broad term and could mean many things. During the observation of the retail outlet, the researcher noted that business cards from the surrounding companies were placed at the main cash area. At the time of observation, a local furniture designer was placing some pieces throughout the store. Along with these observations, and the fact that the owner meets with a group of Edmonton

business women on a regular basis, suggests that networking does not necessarily imply linking with companies in the apparel industry, but a means of providing support to local businesses.

Competitive Advantage

The company's competitive advantage was described as the product's "uniqueness" and the small company size. This company owner places great importance on producing a high quality product with a unique design focus, and training employees. Commitment to a competitive price was considered somewhat important. An interesting comment was expressed by the owner concerning the commitment to customer service. The notion that "the customer is always right" is not always the case. The owner stated that the customer is no different from herself. Customers tend to get rather "pushy" if they know they have all the freedom in the world.

Quality control is maintained primarily by the designer who oversees the production process. She performs all the cutting tasks herself, as well as finishing the product. Mannequins or the occasional customer are utilized for fitting purposes. Fit models were said to be expensive for small companies.

General Business Characteristics/Owner Demographics

There is a formally written business plan for the company that is continually being updated, due to the nature of "change" in the fashion industry. The owner described herself as being "realistic". It is important to be a "business person", as well as being a designer. It was indicated that she struggles with the responsibilities of these two personas all the time.

Five full-time individuals are employed by this company. One of these employees is the store manager. It was noted during the observation of the production area that all the machine operators were Asian. The owner indicated that she doesn't have employee incentives per se, but that the staff are highly paid compared to the rest of the industry in Edmonton, family responsibilities are observed and accommodated, the hours of work are from 10-5 p.m., and holidays are usually taken when the staff want.

Highly skilled machine operators or sewers are the most difficult positions to fill. The reason given for this was that there are low numbers of these individuals in Edmonton. The owner trains new employees by providing them with less difficult items first and constantly monitoring their performance. They are shown specific sewing techniques and fitting methods required by the company. It was felt by the owner that educational institutions cannot help businesses to assist with this problem, as there is no training institute in Alberta to learn the operation of industrial machines.

The business is the owner's sole source of income and she devotes approximately 70 hours per week to the company. She spends approximately 20% of her time in management activities, 40% in design, 20% in product development, 10% in research, 5% in business communication, and 5% in marketing. The owner recently attended an investment banking seminar. Her business experience includes business administration and she stated that she reads resources on self-help. Her previous work in the apparel industry includes design, consulting (for apparel businesses), and freelance (selling her designs). Previously, the owner belonged to a garment association, but because of

time constraints, she is no longer a member.

Certain business skills were examined utilizing rating scales. It was indicated that the relationship with suppliers, buyers and customers is satisfactory. Delegating duties to other company employees is not difficult. Finally, she stated that she is very comfortable with taking financial risk.

The owner feels there are huge problems in being isolated from the main centres of fashion in Canada. The three major problems concern the distance from material sources, difficulty in purchasing small quantities and poor recognition of Western Canadian designers. Of lesser significance is the lack of a stimulating fashion atmosphere. It was indicated that if government provided some assistance with technology needs, this would benefit the problem of poor recognition. As to how the government could provide assistance was not explored by the researcher. However, the government had provided assistance with technology needs in the 1980's, but too many companies took advantage of this. Less competition within the industry in Alberta was considered an advantage to working in Western Canada.

The Designer

The owner's comments concerning the support received as a designer in Alberta were few. She follows the belief that you "have to do it on your own". However, as indicated earlier the government could assist with some of the technological needs of small apparel business owners. In general, she found the Provincial and Municipal Governments, the Canadian Apparel Federation and Designer Association not supportive. In her case, the media have been quite supportive.

The Design Process

This individual's design process usually begins with the fabric and customer needs. Following the fabric choices, the collections are designed by considering fashion trends, consumer lifestyles, and researching what the world is doing. She indicated that she doesn't worry too much about what her competitor is doing. She believes her fashions are designed with a common sense approach and minimalist styling. Goals are reachable. In other words, if reaching high sales is your priority, then the company becomes too much of a business, and less of a creative outlet, as well as a financial burden. By attaining a reachable goal, there is less anxiety.

"Success"

"Success" was defined by this individual as "happiness", everything to do with personal satisfaction and to enjoy awakening in the morning to go to work. The idea of "making it big" was said to be a 1980's philosophy and is of no interest to her. To be successful is not about money.

Observation of the Production Facility and Main Retail Outlet

Upon observation of the production area, the researcher noted a well-organized area and a logical arrangement of work stations with a reasonable amount of space for ease of movement. There were approximately 13 industrial machines, appearing substantially mechanized for the size of the company. Some finishing techniques are performed by hand, specifically sewing buttons on tailored jackets and insertion of shoulder pads. It was indicated that pressing takes a long time. Since

large pressers are not used, hand steam irons provide the desired results. The design studio is in the process of being renovated and appears to be a large private space for the designer to work.

The retail space appears to reflect the collection characteristics as described by the designer. The atmosphere is that of a European boutique. A modern, clean-lined, minimalist image is expressed. The clothing is obviously for professional/career women, but is unique - not just a "suit", there is a deliberate creative "twist" to each style. The décor of the retail outlet is contemporary and modern, incorporating wrought iron furniture and hardware. The clothing hangers are not the standard retail variety, but have the designer's logo incorporated into the wrought iron form. Attention is paid to detail that allows the customer to experience a different environment.

CASE B

This apparel company was established in 1963 by the owner's father. The company originally manufactured menswear and has evolved into designer women's wear and career apparel. The owner joined management around 1979, and married a designer who joined the company in the early 1980's - a husband and wife team. Initially, the owner entered the apparel business because it was a family business. He stated that he obviously would not be working in this business if he did not enjoy it, but he is aware that he has to work hard, will not be rich or have the job security of a larger company. Even so, he indicated that being self-employed allows you to "create your own destiny", as one does not have much say when working for a large company.

In the early 1970's, the owner received a marketing certificate from the Northern Alberta Institute of Technology (NAIT). Following this, he attended the Fashion Institute of Technology (FIT) in New York city, in a garment engineering program. This program provided him with a rewarding and useful experience in the operation of garment factories. After finishing the program at FIT, he worked in Vancouver for 3 years at a ladies sportswear manufacturer, which gave him insight into another company's production process.

The designer's education and work experience included training at Vancouver's Kwantlen College in design/clothing technology. She also received a marketing/management certificate at the British Columbia Institute of Technology (BCIT). She indicated that since childhood, she has had a "passion" for designing and producing garments. Initially, she worked 2 years for a company in Vancouver, where she described her responsibilities as that of a "pattern interpreter", and not really a

designer, since the design direction for the company came from California. After this experience, she moved to Edmonton and worked in ladies fashions at Eaton's. Then around 1982 she joined this business working as a designer. Her reasons for choosing Alberta to work as a designer was that she married into the company. But she stated that there is less competition in the Alberta fashion industry, you are valued by your customer because there are not many individuals producing similar garments, and manufacturing costs are less. However, she finds Alberta to be somewhat isolating and away from the "hub" of the fashion industry.

Production Characteristics

The company is vertically integrated, performing the functions of design, manufacturing and retail. Approximately 20% of their product (designer line) is sold through two factory outlets, one of which is located in the main facility in Edmonton, and the other outlet is located in Calgary. These outlets are open twice a year for approximately 12 weeks. Eighty percent of their business is in the production of career apparel for private corporations. The main facility (15000 square feet) houses the offices, conference room, design area, cutting room, production area, shipping area, storage facility and one of the factory outlets.

Vertical integration has only occurred within the last 3 to 4 years. Previously, the company was solely a manufacturing firm with agents who sold the product to buyers in Montreal and Toronto. The owner felt that being a small manufacturer makes it difficult to penetrate the Canadian market through retailers. For example, large

companies like *Jones of New York* and *Liz Claibourne*, NAFTA, and the problems of retailing in the 90's have made it difficult for midsize manufacturers that are designer driven to make a niche in the market. Some of the reasons for becoming vertically integrated is that there is less independence in the marketplace. Retail outlets are merging requiring small businesses to reassess their plans and look for other avenues of opportunity. Vertical integration, however, does create a different type of problem for this company. They now have to face the consumer, which they did not have to do as a manufacturer. This transition has been a positive experience. In addition, more staff are required and they face the challenge of merchandising their product.

For the designer line, fabrics are sourced from Europe, mainly Italy, Germany, France, England, Portugal, and Spain. These fabrics are sourced through agents in Montreal. The designer travels to Montreal twice a year to consult with the agents. Today, when sourcing materials, the designer finds that travelling to Paris is not necessary. Europe is sourced for the designer line because the fabrics are fashion forward and minimum quantities can be purchased. With Canadian sources, there usually is a minimum of 450 meters required. In Europe, each mill is distinct. It is like looking at a variety of "designer clothing lines", although you are viewing fabric lines, with a wide spectrum to choose from. Occasionally when sourcing European suppliers, there are some problems with receiving the fabric on time and problems with color choices.

Canadian fabric sources are utilized for the career apparel line since they provide the price points and continuity required to make corporate wear a viable line. The owner indicated that there is really

only one large Canadian fabric mill left. The orders are based on volume; the reason why the mill still exists. This particular mill is owned by an English conglomerate and their clients include companies like *Jones New York*. If you are a small Canadian designer, it is not feasible to utilize a Canadian mill as a source.

Sourcing materials in Canada is particularly problematic when small quantities are required. The selection is not as good as it was in the past, due to a smaller market, fewer agents and mills, and less manufacturing. Since 1981, this company has dealt with 4 or 5 agents in Montreal and has developed a good relationship, making the sourcing process less difficult.

As alluded to previously, the clothing manufactured by this company is categorized into two separate lines, a designer line for women and the corporate line for both men and women. Some industrial uniforms are manufactured, but this is a small part of the business. It was indicated by the owner that the categories of clothing produced have changed over time. This company was established as a manufacturer of men's wear, evolving from producing men's slacks, trucker uniforms, curling and ski pants, young men's boutique clothing (late 1970's), designer jeans and finally, to its present lines. The owner said that to be in business for 35 years as a small manufacturer, you have to have the flexibility to change direction quickly. This company's strength is its career apparel, but the owner mentioned that they are in the process of marketing clothing to the children of baby boomers.

For the designer line, two collections are produced per year, Spring and Fall. The owner indicated that at one time 4 designer collections were produced in a year, but it became a burden for the

retailer to pay on time. It was difficult because retailers were paying their bills between 60 and 90 days from delivery. During this time, a new shipment would be on its way before payment for the previous shipment was received. It left the company wondering whether it should ship the next order or not. It was a vicious circle. Thus, only two designer collections are produced. With corporate wear, it is an on-going process that is dictated by the corporations who order clothing for their employees.

The designer indicated that her designs are reflecting a consumer change; people are buying pieces that can be worn all year round or transitional clothing. Particularly with career wear, she finds that women want "4" season wear out of their garments. There are a variety of high quality light weight wools available now, which makes it possible to meet this requirement. The lines are not distinctly Spring and Fall.

No other finished products are purchased to complete the designer line. It was indicated that jewelry was previously purchased but it wasn't profitable and there were problems with the suppliers.

No company employee had attended any trade shows over the past year. The husband/wife team used to go to the *Toronto Ready-to-Wear Show*, but they stopped going when the company became vertically integrated. There is no need to go to trade shows because the company's product is inaccessible in eastern Canada. On occasion they attend shows that exhibit "corporate wear".

The owner had some interesting thoughts on Canadian trade shows. During the 1980's, his company was one of the first exhibitors from western Canada to participate in the *Toronto Ready-to-Wear Show*. The

company showcased fashions for approximately 4 years. During their final year, the Alberta government had spent a lot of money to send approximately 15 companies to participate in the show, to promote Alberta products on a national level. In the end, the show lost focus and literally disappeared over night. He believes that manufacturers had put in a lot of money and for some reason, buyers did not attend. Today, the *Toronto Ready-to-Wear Show* is designer-driven and is representative only of eastern Canada. The show is also losing its largest sponsor (Matinée). In response to how Canadian trade shows can be improved upon, he stated there was no easy answer; it is a problem. There doesn't appear to be enough strength in the Canadian marketplace to sustain a trade show over the long term. The market is larger because of free trade and Canadian companies have to make it "big" in the United States to be noticed in Canada.

Computer technology has become an absolute necessity for this company. This company has incorporated the Lectra system (specific to the apparel industry) for pattern-making and marker-making. It is not used for design or illustration. A custom-made program was designed specifically to assist the company in meeting their commitments for delivery of corporate orders. They are able to identify every single garment as it goes through production, increasing the speed of sorting and shipping. The word used to define this program by the owner was "priceless". It was indicated that it is more advantageous to have the corporations fax their orders, rather than e-mail, because they receive a signature with the order.

For this company, without technology they would not be able to produce or meet the requirements for their corporate clients. With

technology, they are able to offer their clients 50 different styles, 11 different sizes in short, regular, and tall, and clients can order anytime of the year. The turnaround time is between 8 and 12 weeks. For these reasons, they justify the costs of implementing a computer system. The period of time to recover the costs has never been evaluated, because the owner stated that if they did not have a system, they simply would not exist. He indicated that it would be better to ask a new business about cost recovery, since that is the time when these kinds of decisions are made. This year alone, the company has spent $12,000 for Lectra software including the necessary training. Upgrading a system is a continual process given the constant changes in technology.

Sweaters are the only garments that are manufactured off-premises. These are produced in eastern Canada, as it was indicated there are no contractors in Alberta capable of manufacturing knitwear. This company utilizes a Canadian sweater manufacturer because they will produce small orders for them and make appropriate design changes as required. The owner indicated that his company has been approached by a Mexican sweater manufacturer, but because the Canadian manufacturer will do the extras for them, the Canadians have become invaluable. Even though the Canadian manufacturer is more expensive than the Mexican manufacturer, the company does not want to jeopardize this relationship by utilizing the Mexicans.

Business and Competitive Strategies

Marketing Approach

The owner does the marketing himself. The owner described

marketing corporate wear with the analogy "Like a fish trying to swim upriver". The company (the "fish") is trying to promote professionalism, although the market has gone casual ("casual Fridays"). This is one of the company challenges. However, the owner stated that because the company is providing a unique product, they do not have many competitors. Marketing becomes easier when you offer a unique, one of a kind product; the product sells itself.

For this company, determining and understanding customer needs involves discussions with customers and sales employees, observing customers in their environment and following trade publications. The company has not had to utilize external experts or consultants to assist with marketing because of their unique product. At the present time, the owner is considering implementing a survey of corporate customers. The owner said they always self-analyze their marketing process.

The following trend publications are subscribed to: *Women's Wear Daily* (WWD), a German fashion guide, *International Fashion Show* that gives a summary of fashions world-wide, North American fashion magazines such as *Vogue* and *Bazaar*, and *Style* (Canadian trade magazine). The designer indicated that these publications give her a good overview of the general trends. She does not believe that WWD is a "bible", it is just a "scoop" that does not work for all customers. If what is happening in New York relates to her customer that is great, if not, she leaves it alone. Trend services are not consulted as forecast services have a tendency to channel people into the same categories.

For the designer line, the target market is the professional women, usually over the age of 25 and making over $25,000. The designer indicated that every age group has different tastes, so a specific age

group does not define the target market. Because the corporate wear line is a special contract with various types of companies, there are no specific characteristics definitive of a target market.

The image projected by the designer line includes high quality, up-to-date styling and value for your dollar. For the corporate wear line, the company is trying to move away from the "uniform" image. The image projected to its clients is more "fashion forward" career apparel. The company has received requests from corporate customers to move the career apparel into garments that can be worn to formal functions outside of the workplace. These requests have been accommodated, and in this regard the owner feels that their company is ahead of their time.

The main focus of this company is career apparel. The special service offered for this line is that a company agent visits the corporate client's place of business to make sure that the right sizes are ordered for their employees. Career apparel from other manufacturers is usually through catalogue sales and individuals order from a size chart. The custom service offered by this company makes it unique. All styles and size ranges (regular only) are cut and produced as samples, so that the employees can try on their correct size for fit. Then they can order the color of choice and specify whether they require short, regular or tall. This service has been a tremendous advantage for the company, as the owner believes that 9 times out of 10 the customer gets the right size. There is one potential problem with this type of service. Today's consumer tends to want everything immediately, however, the turnaround time for this company is between 8 and 12 weeks. The owner has found that once a corporate client has ordered garments from them, very few discontinue their service, because the client

realizes they are purchasing a quality garment in the right size.

Promotion

Promotional methods include brochures for both the designer and corporate lines, fashion show invitations, although not as many as in the past, and newspaper advertising specifically for the factory outlets. Contact is made with potential corporate clients through the company agents. Previously, fashion magazine advertisements were utilized but now that the garments are not available nationally, they no longer use this media source.

The owner indicated that what has changed over time with promotion is the reduction in attention by the media. The owner felt that because their product (designer line) is not sold across Canada, the local media forgot about them. He feels that because their company is more "designer-driven", Edmonton and Calgary's media should support local manufacturers more than they do. The designer indicated that newspapers (including the Edmonton Journal) focus on a more international level of design and fashion, and syndicate articles. The loss of media coverage appeared to be of concern to both the owner and the designer.

"Word-of-mouth" is an important marketing tool for the designer line, particularly for Edmonton's factory outlet. As these factory outlets are only open twice a year in the spring and fall, customers receive a notice by mail. Approximately, 2% of the budget is spent on promotional activities by this company.

Distribution Practices

As indicated earlier, 20% of this company's product (designer line) is sold through the factory outlets. Eighty percent of their product (career apparel line) is sold to private corporations. The

company also wholesales some of the career apparel line to a few corporations located in Ontario and Newfoundland. The owner is interested in domestic expansion of its career apparel, and feels that the designer line is as large as its going to get; its strength is in western Canada.

The owner expressed some frustrations and experiences with Canadian retailers or buyers. Overall it is difficult to break into the Canadian marketplace due to the 1990's shakedown in retail and a shrinking market. Designer-driven companies have to look at exporting to the United States to alleviate some of these problems. He feels his company's product is of high quality, well-styled and reasonably priced, but these elements do not appear to be enough to satisfy the Canadian buyers, one has to have a "name". In the 1980's the owner indicated that the company had a "hot" designer label and an eastern Canadian television personality was wearing their clothing on television. Because the company's focus now has shifted to career apparel, the designer label is not recognized in eastern Canada. Designers like Brian Bailey and Wayne Clark (both of whom are from Alberta) have made a name for themselves in eastern Canada because they design and manufacture there. Another problem identified with selling across Canada was that Canadian buyers do not pay their bills on time. Although there are some difficulties, the owner felt the problems were not insurmountable.

Over the past 2 years the percentage rate of growth in sales has been 5%. Previously, it had been 10% per year. The owner attributes this decrease to the merging of corporations causing them to lose some ground. However, this decrease has not affected them negatively. They

have been able to acquire new customers. It was indicated that had this problem happened with a retail outlet, it would have been more difficult to replace those customers. By the year 2000, he expects company sales to increase.

This company exports approximately 2% of their career apparel to the United States. Exploratory research indicated that choosing a populated area as close to Edmonton as possible with a similar climate were important criteria for export. This would ensure that the product sold could be similar to the domestic product. Since the company has contracts in British Columbia, a natural progression would be to move into Washington and Oregon states. At present, they have all the building blocks in place, such as an American bank account, so that there is no dollar conversion problem. The owner wants Americans to think dealing with Canadians is as simple as possible.

Sourcing materials has been affected by NAFTA. Unfortunately, the owner felt that if he had to do it all over again sourcing would be different. Fabrics are sourced in Canada for the career apparel and they are not NAFTA "friendly". Although they are manufactured (woven) in Canada, the yarn originates in Germany. In order to qualify for preferential duties, the yarn has to originate from North America as well as be manufactered there. Therefore, the duty is 16% rather than 3%. However, for their career apparel line to be durable and fashionable, they find the Canadian supplier to be the most feasible choice.

The primary reason this company exports is to diversify their customer base, since there is a limited market in Alberta and British Columbia. The owner made the choice to move into the United States over

eastern Canada because of negative feelings in Ontario towards Alberta. He indicated that Ontario does not take Alberta seriously, and businesses there have a tendency to utilize their own large garment design and manufacturing centre over those in western Canada.

The owner said they network with another apparel manufacturer of men's wear in Edmonton. They share contracts for the production of industrial uniforms. As indicated previously, the manufacture of industrial uniforms is only a small portion of their business. The owner felt there is no reason to network for career apparel or the designer line.

Competitive Advantage

The company's owner feels their competitive advantage for the designer line is that they are vertically integrated. They are one of the few production facilities to manufacture anything in volume that is price-point effective and of high quality. He has found that manufacturing a "unique" product in Edmonton requires less advertising. For the career apparel line, the owner stated that "we are not competing against competitors, but against an idea". The company's commitment to the production of a high quality product, a unique design focus, competitive price and customer service is all rated as very important.

Quality control is maintained by a female "floor lady" who has been with the company since the mid 1960's, and who manages the production area. The owner described her as being the "center of the wheel". Production basically involves three basic stages: garment construction, finishing and shipping. The owner indicated that today they are more conscious of quality control because they directly sell to the consumer.

General Business Characteristics/Owner Demographics

The respondent said that the company does not have a formally written business plan. The owner indicated that he has gone as far as to write down and define job procedures, so that employees are more clear of their responsibilities, but they are not job descriptions. He said that because of the small company size, the task itself is enough to define the job and if an employee is having problems, they come and speak to him. Mentally, he knows where he wants the company to go, but marketing ideas are not written down. On occasion the owner and designer discuss the business, but there is no 5 year plan mapped out.

Forty full-time individuals are employed by this company. There are no part-time or contract positions. The owner stated that the company does not really have employee incentives. He feels the company is limited in offering incentives due to its small size. In the past, an RSP was initiated, but the program did not work too well, and has been discontinued. The respondent feels the apparel industry is price sensitive, and thus labour rates are lower than for other industrial jobs. This company pays over the minimum wage and does not allow for the extras such as dental plans, that larger companies can offer.

Pattern-makers, marker-makers and in particular sewers are the most difficult positions to fill. The owner said that in the 1970s, there was an increased rate of growth in the apparel industry and employment rates were low, thus more sewing jobs were available. Today, sewers are not likely to leave for a new sewing position. They are more likely to move into another career path. Additionally, there are not as many immigrants coming into Canada to fill these positions. Historically, there have always been high numbers of immigrants employed

in these types of jobs.

When asked what educational institutions could do to assist with the difficulty in finding skilled workers, the owner indicated that it is a "catch 22" situation. Because the industry is so small in Alberta, students in design or manufacturing face the difficulty in finding jobs they were trained for. However, there are jobs available in retail and merchandising.

The company is the owner's sole source of income. He devotes between 55 to 60 hours per week to the company. The percentage of his time spent in the following activities is: 60% management, 20% business communication and 20% in marketing. He had attended a business seminar within the past 2 to 5 years but could not remember what the topics were. He revealed that he does not go to many business seminars because he feels that he does not have to search for answers anymore. The company's career apparel line has been the strongest niche for this company over the past 35 years. Since this is a unique marketing niche, larger companies are not interested in direct contact with the consumer and smaller businesses starting out would find this type of venture expensive. The samples alone cost approximately $120,000 to produce.

The owner has managed this company for 21 years. As indicated earlier, he worked for a company in Vancouver for 3 years following his education. He used to belong to the Edmonton Garment Association, which has now amalgamated with Calgary's to form ASAP (Association of Sewn Alberta Products). He was a committee member for the annual *Threads Show* in Edmonton for 3 years. He became tired of the responsibilities and wanted to concentrate on marketing his own career apparel line.

Certain business skills were examined utilizing a rating scale.

The owner indicated that he has a satisfactory relationship with suppliers, buyers and customers. His ease in delegating duties to other company members is not difficult and he is somewhat comfortable when taking financial risk.

There are two main concerns in being isolated from the major centers of fashion in Canada for this company owner. First, buyers tend to support only familiar brand names and second, there is poor recognition of western Canadian designers. He felt that poor recognition is almost a "fact of life" in Alberta. It is difficult to be a designer in Alberta and obtain the recognition deserved. He cited an example of the Sun Ice (skiwear) company in Calgary. They were noticed because of being situated close to the Rocky Mountains and their product was associated with outdoor activities in the mountains. A small designer-driven company based in Calgary would not get that kind of attention.

The owner said there were some advantages to working in western Canada. The media can be somewhat kinder than in a larger city where more designers are fighting for attention. Also, consumers tend to be loyal to the company, possibly due to the idea of buying local products.

The Designer

The designer expressed concern over the lack of support received from the media. As mentioned previously, this designer's fashions were in the *Toronto Ready-to-Wear Show* for approximately 4 years, and ever since the company focused their attention on the career apparel line, the media forgot about them. Newspapers tend to print what is happening in the larger fashion centers, rather than about the local talent. She

indicated that there used to be more support from government, but she says that in private business you have to cope on your own. A business has to be realistic; the government can only support the industry to a point.

She has heard of *Designlink* in eastern Canada, but it has not been utilized as a resource by the company. Why? As a well-established company of corporate wear, the clothing is different from a fashion line; they have to stay in close touch with the customer.

As was indicated previously, the designer's fashions have been shown in the *Toronto Ready-to-Wear Show*. She received the "Best Edmonton Designer" award sponsored by the Edmonton Journal in the late 1980's. She was also a recipient of the Matinée Foundation Award in the early 1990's. She indicated that the criteria for the Matinée award included being an established Canadian designer. The main purpose was to help Canadian designers achieve the next level by assisting new designers starting out.

The Design Process

Research and planning for the designer line is carried out approximately one year ahead of time. At present, she is working on Spring/1999. Following the research, fabric selection is made, then the sketches are drawn and put onto a concept board. She produces the original pattern and grades it herself. The samples are then manufactured by a seamstress and the designer oversees this process to work out any difficulties that may arise. After successful completion of the samples, they move into full production.

There are 50 different styles, 11 different sizes in short, regular or tall of the career apparel line offered to corporate

customers. As indicated earlier, all samples are available in regular for the customers to try on. Customers can order anytime of the year, making the design process different from the fashion line. In this case, the line is dictated more by what is required by each customer.

"Success"

The owner defined "success" primarily by three criteria: 1) having return business from satisfied customers, 2) being able to pay bills on time, and 3) having banks that will assist you financially because you possess a strong financial statement. He indicated that one of the main frustrations when establishing a small business is trying to obtain financial assistance. He felt that when corporate customers indicate they are happy with their purchases, this gives him a tremendous amount of satisfaction - he knows what a good idea it was. The owner indicated that his father's goal was to expand the company and this was accomplished, but being comfortable is most important. Further expansion would just mean more "headaches" such as increased property taxes and staff requirements. However, he stated they are not a complacent company; if the business is there, he will not turn it away. It is important to maintain steady growth without it being a painful process.

For the designer, "success" is reached when her customers walk out of the store wearing her creations and looking like a "million dollars, that's really it for me". She also indicated that if she was not "realistic" about her designs, the company would not be in business.

Observation of the Production Facility and Factory Outlet

The researcher noted that the production area appeared highly

mechanized. The area was basically organized into four sections on the main level. Inside the main entrance is the design area with the Lectra computer system, pattern digitizer and printer, and a small area for the designer to work. Alongside the design area is the cutting room. The production area consisted of all the machine operators, finishing and pressing sections and a special area for shirt/blouse cutting. The shipping and storage area for the career apparel line is computerized. An employee lunch room is also located on this level. On the second level is the conference room, another storage room for the career samples, and the factory outlet.

The production area appeared to be highly mechanized with approximately 20-25 machine operators. There were machines to do almost any function, such as back-pockets, waistbands and blind hemmers. The atmosphere of the work space was pleasant and with plenty of activity. The machines did appear to be quite close together and noisy. However, the employees do have a large quiet room with a microwave for lunch and breaks. No obvious employee incentives were noticed.

The designer's private space was very small, just off the computer area. There was a drafting table with visible sketches in progress. There was a rack of standard pattern blocks and an oversized mannequin.

The factory outlet appeared like any other outlet that the researcher has seen. Little attention was paid to the décor. This is probably because the outlet is only open two times per year, each for 12 weeks. There were six dressing rooms, which is more than would be seen in a normal, small retail store. There were business cards on the cash desk, as well as an information card describing the outlet, the concept behind the clothing and photographs of staff, designer, and fashions.

There were designer sketches on the walls and two notices were placed on the wall near the cash desk. The first notice indicated to customers that the prices of the garments are said to be one-half of retail prices and second, no defective goods are sold in the outlet. The staff member managing the store was very pleasant, helpful, and casually dressed. No style or image was expressed, other than that of a factory outlet.

CASE C

This company has a long and interesting history. The manager the researcher interviewed is one of three owners. His great-grandfather established the company in Edmonton, in 1906. The family had emmigrated from north eastern United States (Vermont area) and his great-grandfather had been a tailor. They originally came to Alberta to homestead, but brought fabric with them and set up a small production facility to manufacture men's suits to augment the family income. Ultimately, they remained in the tailoring business, which was passed on to the manager's grandfather, father and two sons. At present, the father (heads the design department) and his two sons are the owners of this company.

The educational background of the manager includes a Business and Commerce degree from the University of Alberta. He indicated that he often takes courses concerning general business information and marketing. He attended the Apparel B.C. conference in Vancouver within the last year. Prior to this conference, he attended a direct marketing conference, topics of which included the design and customer response of direct mail. He also has previous sales management experience in other types of businesses, including recreational vehicle sales, new car sales, and professional hair care products. Experience in the apparel industry only includes the family business.

The manager indicated that because he grew up with the family business, it somehow preconditioned him to continue working in the company. But, he felt that it was his choice and he has always found this business very challenging.

The manager's father, who heads the design department was not

available for the researcher to interview, however the manager felt that he could respond on his father's behalf. His father has always worked for the family business. He was trained in New York city (around the mid 1930s) at a design school that predated FIT (Fashion Institute of Technology). The program of study included basic theory of design and an apprenticeship for a number of garment manufacturers. Of interest, is that the manager's great-grandfather had attended a cutting school in New York city. Initially, the father came to Alberta to work for the family company. The manager indicated that children during the depression years often were responsible for being productive members of the family business. The manager felt that his father was frustrated at times, because he experiences a disconnection from production as the company becomes more modular. He indicated that his father attends many seminars and is continually learning.

Production Characteristics

The company has always been vertically integrated, performing the functions of design, manufacturing and retail. Historically, this company and most garment manufacturers were localized industries, supplying the surrounding vicinity. This company has always felt most capable of selling the clothes they produce. Also, the manager felt that as the market becomes more global the company still feels most comfortable being vertically integrated. It allows them total control of their receivables. However, one of the problems associated with vertical integration is that the company is located outside the national garment center, thus it only has a small labour pool to draw from, that inevitably requires training.

This company houses a retail outlet (2900 square feet) and the manufacturing plant (9800 square feet). There are 27 full-time staff and 2 part-time. The 2 part-time employees job share sewing positions. A Vancouver contractor is used to produce custom-tailored shirts.

The clothing manufactured by this company is categorized into men's custom tailored garments, that comprises the retail side, and custom-made uniforms for various organizations. The manager indicated that their target market has not changed over the past 30 years. Uniforms are not a new venture, as he said the company has stored documents about uniforms produced for the city of Edmonton in the 1900s. In fact, they supplied uniforms to bus drivers when buses were horse-drawn. Collections for men's suits are not produced, but the design department generates drawings of seasonal trends. The company's focus is custom-tailoring, therefore they respond to what the customers wants. Uniforms are often redesigned and updated according to the clients' requirements. Ties, belts and hosiery items (socks) are purchased for the retail outlet.

Fabric for the uniforms is sourced in Canada. The two prime sources of fabric for the custom-tailored suits are England and Italy. Other European sources include Spain and Portugal, and a small amount of fabric comes from China. The manager indicated that Canada does not have the milling capacity to produce fine suitings and specializes only in those fabrics in high demand. He also said that if they were able to source Canada for fine suiting fabric, they would.

There were relatively few problems encountered when sourcing materials. The company has a few clients that want specially made fabrics that require time to produce, but generally are comfortable with

the wait. The manager would rather have the choice of sourcing western Canada for supplies, but he felt there was no market for suppliers here. He also finds that the local source agents are not volume suppliers and change jobs frequently. The agents from eastern Canada will come to Edmonton with no expense to the company.

Trade shows are often attended, but only for the uniform side of the business. At the time of the interview, the manager's father was attending the *Canadian Association of Fire Chiefs Conference*. As for manufacturing, they attend *Bobbin* on a bi-yearly basis. They do not go to trade shows for men's clothing. The manager felt that Canadian trade shows are small scale (less exhibitors and products). They find by attending shows outside of Canada, there is more exposure to what is happening.

Computer technology is utilized by this company for accounting, pattern-making, marker-making and grading. The latter three activities are performed on the Gerber/CAD system. A laser cutter is used for cutting. They are in the process of exploring the computer for use with business communication. The primary reason indicated for utilizing technology was because the company is outside of an area that has a highly skilled labour pool, thus they rely on technology to accomplish certain tasks. It is also very important in reducing production time and reacting quickly to market demands. Considering that technology is continually being updated, this company has a policy that if they invest in technology they want to be assured that the system will operate for 5 years. The manager hopes that cost recovery would be before the 5 years are up. The buying decision is based on the system contributing to profitability.

As indicated previously, shirts are manufactured off-premises by a contractor in Vancouver. The company does not maintain a facility to produce shirts, therefore there are no additional capital costs, but they are able to offer the product. Disadvantages of manufacturing off-premises include an increase in the basic cost of the product for the consumer, loss of quality control, and additional shipping costs.

Business and Competitive Strategies

When asked what areas of their business would benefit from information, he responded that acquiring information is an ongoing process - every area benefits from information. This company works hard on record-keeping because it's important to them from a marketing and financial point of view. The manager is responsible for marketing activities.

Marketing Approach

Direct customer contact is the primary means of understanding their customers' needs. Over the last 5 years, this company has concentrated on direct selling to develop a closer relationship with their customer. Direct contact with customers is the nature of a custom-tailoring business. Surveys are conducted for the retail outlet, either at the time of purchase or on delivery. These are usually carried out by the sales staff. Sales are tracked on a daily basis by fabric and customer, thus tracking a customer's wardrobe is possible.

No forecast or trend services are consulted by this company. They subscribe to the following publications: *Bobbin*, *Canadian Apparel*, *Style* and *Fortune* magazine.

The manager defined their target market very succinctly. The

company is more than just a custom-tailoring business. The retail business caters to males, aged 30 to 55 years with family incomes greater than $75,000. He further broke this down into two categories: 1) the "downtown professionals" who wear suits everyday and probably make multiple purchases every year and 2) the "owner/operator independent", who has a small business and is a less frequent buyer, but probably buys more suits for social activities.

The image the company projects to its customers is business-like and somewhat conservative. He explained that their suits stay in a client's wardrobe between 4 to 6 years, and marketing is traditional in terms of style. They place greater value on longevity, therefore the garments are well-constructed, and they tend to stay away from the leading edge of fashion so that the goods are not disposable. The manager finds their prices to be slightly below that of "designer labels", so there are some savings to the customer, but he stressed that they are not a "low price" supplier.

The manager felt that custom-tailoring in itself is a special service. They offer other special services including lay-away plans, customer credit (he finds this not too popular with customers), visiting the place of business (for uniforms), and wardrobe consulting.

Promotion

At present, direct mail, media advertising (radio and newspaper), telephone solicitation and brochures (primarily distributed on a regular basis for the uniform business) are the promotional methods utilized. Once a year the company is involved in a fund-raiser charity fashion show for men's suits. The manager indicated that promotional methods have changed over time. Specifically, they are placing more emphasis on

direct contact with customers through direct mail and telephone solicitation than previously. He believes that this is probably indicative of having to fight harder for customers in today's marketplace, by moving towards a closer relationship in order to ensure a competitor does not "grab them". As a company, he wants to be able to offer the customer a garment when the need is greatest, and computer technology has allowed them to track the customer's wardrobe more precisely. Approximately 6% of the company's budget is spent on promotional activities.

Distribution Practices

Approximately 58% of product distribution is through the retail outlet for custom-made men's wear. Forty-two percent is distributed through special contracts for uniforms. Each of these percentages have changed slightly over the past year, to where there is 60% retail and 40% uniform distribution. The manager is interested in domestic expansion of the retail market where he indicated that margins appear to be better than uniform sales. The uniform market appears to be becoming more of a global commodity and considering the high cost of labour in Canada, some companies find it more feasible to have uniforms manufactured elsewhere.

No frustrations were expressed by the manager concerning Canadian retailers or buyers, since they do not do business with them. He realizes that other individuals are having difficulties with them, but his company is pleased with the choice to be their own retailer.

The percentage rate of growth in sales over the past 5 years has remained relatively constant, no growth or decline. He felt that by the year 2000, there still would be no change in rate of growth.

This company is not actively involved in exporting. In the past, they have exported to the United States, but this was not to any great extent. He found it difficult to offer their level of service on a cross-border basis. It is even difficult to offer their service in other Canadian provinces. The company is focused on their product and profitability, rather than increasing sales in a larger market.

Networking is considered very important to this company. They discuss business and share information about such concepts as benchmarking and production processes, with other clothing manufacturers. In order to secure contracts in uniform sales, they share contracts with competitors (those companies that are of a similar size and manufacture garments for a different section of the market than them). This tactic ensures that eastern Canadian manufacturing firms do not win the contract, thus strengthening their business opportunities and increasing competitiveness with larger companies.

Competitive Advantage

Three qualities are seen as this company's competitive advantage; competitive price without sacrificing high quality, strong brand name for men's wear, as well as a strong brand name nationally for uniforms. A significant amount of commitment is placed on high quality, customer-centered product development, unique design focus and customer service.

The design department and the plant supervisor oversee the maintenance of quality control. As well, each of the employees is responsible for the quality of their work. The manager indicated that the plant is operating on a modular production system now.

General Business Characteristics/Owner Demographics

The company has a formally written business plan. The manager felt it was important to be aware of what the company is trying to accomplish. Their business plan was said to consist of a file, a "growing and changing plan", not a single document. Sales goals are set on a monthly basis, that are determined by whether the season is "good" or "bad", historical information, and the introduction of new products and advertising.

Employee incentives consist of some bonus systems which are implemented from time to time. The sales staff in the retail outlet work on commission.

The manager stated that the higher the skill level of an employee, the more difficult it is to locate someone for the job. Sewers were considered moderately difficult to find, cutters more difficult, and CAD (computer-aided design) operators were the most difficult to find. This company employes 2 CAD operators, one full-time and one part-time. The part-time employee floats between CAD and the cutting area. He cites three reasons for the difficulty in locating CAD operators: 1) CAD is relatively new, therefore they are inexperienced, 2) there are no schools that offer good training for CAD in western Canada because of the expense of such programs and 3) all across Canada the market for this type of work is small, therefore not many people are attracted into this field or develop a proficiency at it. He indicated that his company offers a lot of in-house training for employees.

The manager believes that in alleviating the difficulty in filling these job positions, educational institutions should make their mission to move closer to the industry in a way that prepares students for

industry. He has been involved with Human Resources (Apparel Canada) for the apparel industry for the last 8 years and has always found a discrepancy between what educators are doing and what the industry is doing. It would be beneficial to the apparel industry if a closer relationship was developed.

At present, the manager does not belong to any garment associations. He used to belong to the Edmonton Garment Association [EGA (now ASAP)] and the Canadian Apparel Federation. When the company was involved in these associations, their expectation was to expand their network. He felt that the EGA, as well as Economic Development and Tourism had raised the profile of garment manufacturers in Edmonton and the concerns of these businesses with local government. Unfortunately, they no longer are as concerned with the industry. He was co-chair of the EGA for 6 years and became tired of the responsibilities. Time was also a factor.

This family business is the manager's sole source of income and he devotes approximately 60 hours per week to the company. The percentage of his time is spent as follows; 50% management activities, 5% product development, 5% business communication, 35% marketing and 5% research.

Certain business skills were examined utilizing rating scales. Generally, he found his relationship with buyers and customers to be satisfactory and his relationship with suppliers somewhat satisfactory. The problems with suppliers usually relates to delays and escalating prices. As for buyers, it is usually a problem with the level of service expected, as compared to what the company is delivering.

Other skills examined utilizing rating scales included the ease in delegating duties to other company employees. He felt this difficult at

times because other employees are not that interested in some of the tasks he is responsible for, and he wants to move on. Lastly, he felt somewhat comfortable when taking financial risk. He indicated that the company is quite conservative, financially.

The manager felt that there were three major problems associated with being isolated from the main centers of apparel manufacture. There is limited production of raw materials, referring to people and equipment. Also, the distance from suppliers of materials is problematic, as well as poor recognition of western Canadian designers.

The respondent mentioned that the company does not experience difficulty in purchasing small quantities of materials, mainly because of good communication with suppliers and the fact that the company is an old, established one. He said they are able to negotiate their requirements to a certain extent, but do not always receive what they want. Sometimes arrangements have to made for what is available. For example, clients desiring custom-dyed fabrics have to make alternate choices", because these types of fabrics are no longer available. "Good communication has allowed us to know what's happening up-front, thus, the process can be made as painfree as possible for the customer".

The owner had much to say about the problem of poor recognition of western Canadian designers. He felt that within the apparel industry, there was nothing that really could counteract this problem. However, he believes the problem lies with those outside of the garment industry, garment manufacturers are not afforded the level of acknowledgement that they deserve. He said that he worked on this problem for many years. Although garment manufacturers can offer the local economy distinct advantages, it is difficult for others to see this. The garment sector

is not "a high-tech or pretty industry", thus local economies are not motivated to support them. The manager cited Winnipeg as a unique exception; they have received a tremendous amount of support in developing a successful garment manufacturing centre, and over the last few years have focused on the growing employment sector in this industry. He feels that Alberta does not have enough momentum, and that garment associations tend to "peak and valley" with the quality of the leaders.

There are advantages to working in western Canada, in particular Edmonton. He felt it to be a beautiful place to live, lower labour costs (as compared to large centers), less turnover of staff (competitors do not steal employees with the promise of increased wages) and decreased capital costs.

The Designer

As mentioned earlier, the manager's father (who is over 65 years of age) is part owner, as well as the designer responsible for the design department. He was unavailable at the time of the interview because he was attending a conference, but the manager felt he could respond to the researcher's questions on behalf of his father.

As a manufacturer of men's clothing, the media have been very supportive of their design talent. The manager indicated that the company is a media buyer and he has "coerced some of that support". The provincial and municipal governments and the Canadian Apparel Federation have only been somewhat supportive. He feels more recognition and support of the industry by the government would be beneficial. As far as the government assisting with computer technology, "that would never

happen".

The Design Process

On the retail side, the designer receives information from the customer in terms of what the garment specifications are. He is responsible for creating the customer's concept, whether it is mainstream or not. However, he does not operate on sketches for each customer's specifications. He generates seasonal sketches of the general trends. At the moment, they are offering three basic styles (trends), and the customer makes a choice and decides on the many variations of garment details - custom-tailoring. The computer is not utilized for sketching or illustrating. Patterns are generated on the computer. There is usually only one fitting before the garment is completed.

On the uniform side, the designer is able to be creative by redefining an image for a company. This company produces uniforms for both men and women. Many women today are in a lot of traditional male jobs, thus their uniforms are redesigned for the female body; they are not unisex garments.

The manager indicated that market research and what the competitor is doing is more of a management responsibility. *Designlink* was heard of, but is not accessed for any resource information.

The designer's creations have not appeared in any Canadian Designer showcase, but he did receive an award around 1992, but the manager could not remember what the award was for.

"Success"

The manager ultimately feels successful when customers are donning

their suits and feeling good about what they are wearing. He is also very proud of the fact that they have produced Greyhound bus drivers' uniforms "since the first bus rolled out of the garage". He is reasonably happy with the company now, but he wants to expand the retail side of the business (men's clothing). This entails redeveloping the business for a new generation of customers and brand reinforcement.

He indicates that his father experiences a great amount of pride with an innovation that sells, and with people who are happy with what he has created.

Observation of the Production Plant and Retail Outlet

The production plant is located in one extremely large area, with a mezzanine level overlooking the plant. It appears to be well organized with designated areas for various apparel production tasks. The area is highly mechanized and the computer system was located in the design area. There are approximately 20 machine operators, and there appeared to be a machine for every imaginable procedure. There appeared to be enough space for employees to work, but as was noticed in other production facilities, there is a lot of activity going on, and noise levels are high. The staff have a lunch area on the mezzanine level. It also was evident that they were allowed to smoke in this area.

A small area was designated as the design center housing the Gerber computer system, next to pattern storage. As custom-made clothing generates a large amount of patterns, the pattern storage area was quite large, but not cluttered.

What was impressive about the retail space was the tremendous selection of fabrics available. These were folded on dowels along the

walls of the outlet. The seasonal trend sketches were displayed on an easel, so that the customer could browse through the styles. There were also a couple of tables with books of fabric samples. There were two fitting rooms located in a seating area behind a counter used for ordering. There were business cards placed on the counter and Edmonton entertainment newsletters were situated around a mannequin on a table. There were two mannequin torsos in the display window dressed in tailored jackets, surrounded by tailoring accessories.

The male retail employee was very friendly. It was noted that he was conservatively dressed in a traditional vest, shirt and slacks. The atmosphere of the retail space was friendly, neat and expensive (because of the impressive selection of fabrics). It was obviously a place where custom-tailored clothing is ordered. The image expressed appeared to be conservative and business-like. The décor was very different from a "fashionable" retail outlet. There were a few pieces of antique furniture (heavy wood tables and mirror), that possibly were as old as the company.

CHAPTER VI. DISCUSSION OF RESULTS

This chapter includes a discussion of the survey and the three case studies profiled in the previous chapters. These results are examined in relation to the first four objectives of the study. Utilizing a second research strategy, multiple case studies enhanced the research process by providing a more detailed description and richness of meaning than was possible with the mail-out survey.

Business Profile

The first objective was to develop a profile of independent fashion design businesses in Alberta. This study yielded a profile that supported some areas of previous research and popular literature and contraposed other areas. One of the limitations of this study is the low response rate which has the potential of affecting the reliability of the data, and generalizability of the results. This is one reason for the utilization of a second research strategy, multiple case studies, to enhance the research process.

Production Characteristics

A review of the literature indicated that Alberta apparel companies focus production on industrial uniforms, specialty corporate wear, work-wear, outerwear, childrens' wear, and high fashion products (Schmidt, 1995; Bridges, 1995). For this study, the respondents indicated that career wear is one of the main categories of clothing produced. Also, a large proportion of companies are manufacturing custom-made or tailored clothing (65% women's custom-made clothing). This study found that high fashion products were not a significant

proportion of the clothing categories produced, although it was reported by the participants that a fashion forward image (46%) is what they try to project to their customers. In addition, emphasis is placed on manufacturing products that are of high quality and less emphasis is placed on price.

The survey results indicated that the majority of companies (76%) utilized Canadian fabric sources for their products. Domestic material sources were noted by Fedorak (1988) and Star (1994) as problematic in the past for Canadian manufacturers. The survey results indicate that Canada is an important fabric supplier for these particular respondents. Two of the case study respondents utilized Canadian fabric sources for career wear and uniforms, but did not use them for the majority of their manufactured products including their "designer lines" and "fashion forward" clothing. European fabric mills were the primary sources for these particular lines of clothing, because the fabrics are of high quality, fashionable, and the selection is extensive. It was also indicated that Canada does not have the milling capacity to produce fine fabrics.

As with Fedorak's (1988) survey of Canadian designers, the major fabric sourcing problem identified was the difficulty in purchasing small quantities and the shortage of supplies in western Canada. The case study respondents felt this was primarily due to the overall decrease in the manufacture of raw materials and fabric in Canada. These same respondents, however, have developed good working relationships with their agents in Montreal, making sourcing less difficult.

Sweaters and custom-tailored shirts are the only items

manufactured off-premises, mainly because the companies do not have the capacity to do so in their own production facilities. What is interesting is that two companies utilize Canadian contractors to manufacture their products. One company has been approached by a Mexican contractor, but feels the Canadian sweater manufacturer has become invaluable to them and does not want to jeopardize their relationship by changing to a Mexican manufacturer just to decrease production costs.

The most common advantage for manufacturing off-premises is a decrease in production costs. One respondent indicated that although production costs were decreased for the company, additional costs such as shipping increased the cost of the product for the consumer. The main disadvantage included a loss of quality control resulting in poor garment quality. This is understandable, since it becomes difficult to manage quality control off-site. Other disadvantages experienced by the respondents include distance from suppliers, additional shipping costs, an increase in distribution time, and the risk of bringing in too much of the same product. Manufacturing off-premises does suggest that there is a potential for the companies to experience decreased flexibility in turn around time and poor garment quality.

Finished products are purchased by respondents to complete the selections offered in the retail outlets. The purchase of these products are considered important to the product mix, making the outlets different and providing items that may not be available to the customer in the vicinity. These products also provide customers with a one-stop shopping facility to complete their wardrobes.

Sheldon (1988) indicated that the most significant increase in the

use of computer systems in the fashion industry were in the areas of design/illustration and pattern-making. The survey results reveal that few companies are utilizing computer technology for the design and production stages of manufacturing. Computers are primarily used for accounting and administrative activities. For the case study respondents, computer technology has become indispensable. Not only is it utilized for accounting and administrative activities, but also for pattern-making, sales tracking, and to increase the speed of sorting and shipping orders. The case study respondents felt that the costs of technology were not a deterrent; they felt they would not be in business otherwise.

Technology is expensive and considering that the majority of the companies surveyed are small in size, the question of feasibility is probably an important determining factor in deciding whether to purchase a system. Since 47.8% of the companies are home-based, and 89% of these companies employ 5 or less workers, a highly technological production facility is probably not practical. Ironically, the companies are aware of how computer technology can reduce production time and the costs of creating new lines. An opportunity exists for a CAD business to rent services such as marker-making and grading to smaller companies.

Trade shows were not a popular venue for acquiring marketplace trends. One case study respondent explained that there was no need to attend trade shows because the company's product was unavailable in eastern Canada. It was also evident that the type of product manufactured, that is, custom-tailored clothing, requires producing garments according to "what the consumer wants", rather than "predicting what the customer wants", therefore, trend resources are not as

important. In addition, it was indicated that Canadian trade shows are small in scale and that there is not enough strength in the Canadian marketplace to sustain such events.

Business and Competitive Strategies

Marketing and Promotion

Today, many companies realize that adopting a marketing focus is important to their success (Kunz, 1995). Results from both research strategies indicate the importance of direct customer contact in determining and understanding customer needs, along with a strong commitment to direct marketing activities. These companies do not appear to be weak in marketing skills, even though, Schmidt (1995) found Alberta design companies to be weak in marketing and promotional skills. Respondents did, however, indicate that they would like more information concerning marketing products and product development research.

Although Wall, Sommers and Wilcock (1994) found that many Canadian retail buyers do not have business plans, information about the business plans of manufacturers is necessary in developing a company profile. Business plans were very important to the case study respondents while less than 1/2 of the survey respondents had a formally written business plan. Goals, however, were evaluated on a regular basis. It became apparent from the case study respondents, that more important than a written plan, was having a "focus" for the company. Goals, including marketing, are evaluated on a regular basis and continually updated. Placing emphasis on strategic business plans may be important to the "success" of a design firm.

Both groups researched spent 10% or less of their budget on

promotional activities. Of note, was the importance of "word-of-mouth" as a marketing tool. One case study company noted that their clothing lines sell themselves, because there are not a lot of competitors. Thus, a small amount spent on promotion did not necessarily indicate a lack of promotional skills.

The media (radio, television, and the newspaper) appeared to be an important marketing tool for the case study group, whereas the survey respondents utilized the media to a small extent. Due to a limitation of the survey, more information on the specific promotional activities used could not be ascertained. One case study respondent is presently receiving less support from the media (in particular from the newspaper), due to their change in product focus, from designer-driven to predominantly career apparel. The importance of direct marketing activities, such as product positioning was evident. In contrast, Huddleston and Oliver (1995) indicated a lack of sophistication in market identification and positioning of products, as a weakness of management in the Canadian apparel industry.

The image projected to customers by both research groups was that of high quality and well-constructed garments, "fashion forward" products and presenting a business-like image. Offering a competitive price was not as important.

Distribution Practices

Distribution of products for both research groups was primarily through independently owned retail outlets. Special contracts were another important means of distributing products for the survey respondents, as well as the case study respondents. In fact, for one of the case study companies, special contracts for career apparel, was

their product focus. Due to limitations of the survey questionnaire, the percentage of apparel consumption in Alberta provided by apparel manufacturers could not be determined.

The literature reviewed suggested that Alberta apparel manufacturers have limited access to national chains due to centralized purchasing practices (Capjack, 1996). The case study respondents expressed frustration with Canadian buyers. Breaking into the Canadian marketplace is difficult, since Canadian buyers have a tendency to acknowledge familiar "designer" labels. However, one company had previously entered the eastern Canadian marketplace with a strong designer label. There is the possibility that another problem exists here, other than an unrecognizable "name". Isolation of manufacturing through vertical integration may be contributing to the difficulty in breaking into eastern Canada. Canadian buyers outside Alberta do not appear to be significant distributors of these manufacturers's products.

Capjack (1996) and Schmidt (1995) found that the main reason for an increase in Alberta exports was that companies were focusing on specialty clothing, including corporate uniforms. One case study respondent was following this trend. However, both research groups revealed that they are not actively involved in exporting. There appears to be a general lack of information and knowledge concerning exporting, particularly for the survey respondents. It became apparent through the case study research, that the prevalence of small company size, and the type of product manufactured (particularly custom-made) was not conducive to expansion of business opportunities internationally. On the otherhand, it could be argued that customization does not necessarily limit exporting products. There are

companies in Canada which have clients for custom-made clothing in other parts of the world.

For the one case study respondent who exports to the United States, NAFTA has not alleviated sourcing difficulties disqualifying them from preferential duties. In order to qualify for preferential duties, the yarn has to originate in North America, as well as the fabric manufactured here. For the few companies which do export, the primary importer of their products is the United States, as confirmed by Huddleston and Oliver (1995) and O'Brien (1997).

Competitive Strategies

The respondents recognized networking as important to strengthening business opportunities and providing assistance in seeking new markets. However, a moderately large proportion (33%) reported that networking was not important to their firm. Sharing contracts with other apparel manufacturers (but not direct competitors) assisted the case study respondents in securing contracts to increase their competitiveness and strengthen business opportunities. In addition, networking didn't necessarily mean linking with companies in the apparel industry, but could mean support for other local businesses.

Competitive Advantage

For the respondents, a commitment to high quality described a large part of their competitive advantage. Of some importance is the commitment to price. Schmidt (1995) and Bridges (1995) revealed that Alberta, as well as the rest of Canada cannot compete on price, and the respondents appear to be aware of this.

It was revealed through the case study research that vertical integration, itself, was a company's competitive advantage, providing

access to the marketplace and a way to adapt to a changing environment. There is also evidence from this study that customization (distinguishing products and services) may provide small apparel manufacturers with an edge in a competitive environment (Black, 1998).

General Business Characteristics/Owner Demographics

Although case B's owner does not have a formally written business plan, each company does have a definite focus. All have found their particular niche in the marketplace and their goals are focused on maintaining it. They all appear willing to adapt to change in the environment, evident in the continual updating of plans and marketing activities. Case A is presently concentrating on her freelancing skills to advance her design career. Case B is considering diversifying to a new target market, the children of baby boomers, and case C has been concentrating on direct customer contact by changing their marketing style. Company A's owner/designer described the importance of blending two jobs, that of design and business. The word "realistic" was used by both company A and B's designers in describing a reasonable approach to understanding and satisfying customer needs when researching global fashion trends. Newton (1990) indicated that the management of design not be treated in isolation, but integrated with all business functions. The respondents appear to be acknowledging Newton's design business philosophy. It is possible that for company C's manager, a structured business plan is important considering that he is one of three owners, thus a greater need for outlining the company's goals and focus.

Ninety percent of the companies surveyed have been in business 10 years or less, therefore they are relatively young companies. Forty

percent of the companies have been in business 5 years or less. Eighty-six percent of the respondents design as well as own their company. There are more women than men operating these companies. As well, the owners are relatively young, with 46% between the ages of 26 and 35 and 36% between the ages of 36 and 45. The majority of companies are operated as a sole proprietorship. For 59% of respondents, the business is their sole source of income. It is possible that some individuals are supplementing their incomes through other means, while the company is growing.

Company Size

Small company size is a reality for Alberta design and manufacturing firms. Ninety-five percent of the respondents employ less than 100 staff, and 65% of these companies employ five or less individuals, supporting the national statistic that 88% of Canadian apparel firms employ fewer than 100 workers (Dickerson, 1995; Schmidt, 1995; Wall, Sommers, & Wilcock, 1994). Eighty-seven percent of the respondents are vertically integrated. For the survey respondents, business locations were primarily home-based (47.8%). Home-based businesses are a growing economic trend and these results appear to support this. Perhaps because the companies are relatively young, starting a business at home is a feasible option. Two of the case study companies are family businesses, with a long history in Edmonton.

An interesting finding was the prevalence of full-time staff, that generally work Monday to Friday, eight hours per day. The case study respondents provided insight into this phenomenon. The apparel industry in Alberta experiences less turnover of staff, because there are few positions available in apparel production. Therefore, employees are

less likely to move to a better job within the industry. The case study group also indicated that their staff are paid reasonably well, however, due to small company size it is difficult to offer many incentives that a larger company could provide.

In general, for both research groups there is difficulty in finding skilled machine operators (sewers). Additionally, the case study respondents found difficulty in locating experienced CAD operators. It was further revealed that these difficulties were in part due to the lack of adequate training institutions in Alberta. A case study respondent suggested that educational institutions in Alberta could develop a closer relationship with the apparel industry to prepare students for job entry.

Because of the low numbers of production personnel in Alberta, there is a potential problem for placement of workers, if indeed they are exposed to training programs. In addition, due to the small company size in Alberta, a question arises as to whether companies will pay for CAD trained designers.

The Owner

The survey group reported that they require additional business information, particularly for marketing products, product development research and sourcing information. The case study respondents described the importance of continual learning and accessing resources. "When you own a small company, it is important to look at the big picture."

Respondents appear to be well-educated, receiving post-secondary education in a variety of programs. Amongst the case study respondents, all had received education within their areas of expertise. Of note is

that one of the case study owners was educated at FIT in the garment engineering program, providing experience in the operation of garment factories. Overall, the case study respondents had extensive business experience, particularly within the apparel industry. In contrast, 31% of the survey respondents (owners) had previous business experience in management and administration. Previous research (Fincham & Minshall, 1995) indicated that small town apparel retailers who had post-secondary education were more likely to adapt to change and were more willing to take risk.

It appears that for the respondents, long hours of work is the norm. Fifty percent of the owners surveyed devoted between 50 and 60 hours per week to the business. Of those companies surveyed which provide a sole source of income for owners, 69% work between 50 and 70 hours per week. The case study owners interviewed work between 55 and 70 hours per week. It was apparent through the case study research that there is a difference in time spent in certain activities between a designer/owner and an owner, reflecting their different responsibilities. Hence, a designer/owner spent more time in design and product development, whereas the dedicated owner/manager spent more time in management and marketing activities. On the basis of the findings, there is the implication that for an owner/designer, there are time constraints experienced due to the difficulties of handling two jobs (design and management).

Previously, the case study respondents belonged to garment associations, but no longer are involved because of time constraints, as well as being tired of the responsibilities, particularly for the owners of A and B, since they had been members of various committees. Company

C's owner had been involved with the Edmonton Garment Association (which has recently amalgamated with Calgary's Garment Association to form the Association of Sewn Alberta Products [ASAP]). This owner felt that in conjunction with Alberta Economic Development and Tourism, had raised the profile of garment manufacturing in Edmonton, however, this was short-lived. He felt that Alberta does not possess the momentum to sustain a garment association and that the success of these associations greatly depends on the quality of its leaders.

Certain business skills were examined utilizing self-rating scales. The owners surveyed appeared to have a more satisfactory relationship with their customer, than with suppliers or buyers. The case study owners reported that their relationships with suppliers, buyers and customers were satisfactory. They also reported that they have developed long-standing relationships with suppliers that has alleviated some of the sourcing difficulties. For both research groups, the owners appeared to have few problems with delegating duties and implementing new business practices. In addition, it was found for both research groups that owners feel only somewhat comfortable when taking financial risk. It was indicated by one of the case study owners that their company tends to be conservative financially. This suggests a cautious attitude toward risk. Craig and Horridge (1995) found that a cautious attitude towards risk was predominant amongst more successful business owners. The significance of behaviorial characteristics of ownership, specifically business and marketing skills was also found to be important to the "success" of business. Although the survey provides only a generalized overview, the respondents appear to be aware of the importance of marketing skills - customer satisfaction is their prime

concern.

There are problems associated with being isolated from the main centres of fashion in Canada. For the survey respondents, the major problems with isolation was the distance from material sources and the difficulty in purchasing small quantities. For the case study respondents, the primary problem appeared to be "poor recognition" of western Canadian designers and buyers only supporting familiar names. One case study owner referred to this problem as a "fact of life" in Alberta. Another case study respondent felt that individuals outside the apparel industry have difficulties in acknowledging and recognizing the economic benefits of a strong garment industry.

However, given the problems associated with this type of business, why have these owners chosen to work in Alberta? For over half (52%) of the survey owners, they are working in the fashion industry for enjoyment or passion for their work. The case study owners revealed many advantages of working in Alberta; less competition, a somewhat kinder media, loyal customers, low labour costs, decreased capital costs, less turnover of staff, and a beautiful and safe environment in which to live.

The Designer

The designers from both research groups appeared to be well-educated in clothing design, primarily through a design college or technical school. Few respondents had attended FIT in New York or other well known fashion colleges. Whereas the majority of designers surveyed had minimal work experience outside Alberta, the case study designers interviewed had worked in other parts of Canada (Toronto and Vancouver)

in apparel manufacturing companies. This experience provided them with CAD skills and insight into the operation of manufacturing plants. The major reasons given by designers for working as a designer in Alberta, by both research groups was "passion" for their work and that Alberta was "home".

Very few respondents from either research group had received an award in the area of their expertise. Only one of the case study respondents had received a Matinée Foundation Award. This same designer also showcased her designer collections in the *Toronto Ready-to-Wear Show* during the 1980's, until the production focus of her company changed to corporate wear.

An important finding from both research groups, was the lack of support received from the Provincial and Federal Governments, the Canadian Apparel Federation, the media, and designer associations. The media had been supportive of all the case study companies. However, one of these companies expressed concern over the company's recent decreased support from the media, since they changed focus to career apparel, from the designer line. It was also indicated that the change in newspaper format from covering local designer fashion to covering fashion events in the larger centres is of concern. It was generally felt by all designers in the case studies, that increased support and more recognition by government and related industry groups would be beneficial to the industry as a whole. Support would encourage customers to patronize local design outlets and would assist designers in attaining recognition. A suggestion made by one of the respondents, support from the Alberta government for an "Alberta Made" program for garment manufacturing could be beneficial promotion for the industry.

The Design Process

The process of designing is an individual activity. Each of the designers interviewed approaches the process in a different way, depending on the type of clothing manufactured. However, the underlying objective for all designers is to create clothing that meets the needs of their customer. For the designer of company A, it is important that the process of design is a creative outlet for her. The designer of company B appears to be more production-oriented. She performs less hands-on tasks than the designer of company A. Company C's designer is responsible for creating each customer's concept for their custom-made garments. For both the designers of companies B and C, they are redefining an image for the standard "uniform", B is creating "fashion forward" garments for private corporations and C is redefining the uniform image for a company.

Observation of Production Facilities and Retail Outlets

One of the main reasons for observing the physical environment of the companies was to provide an additional source of evidence of their mode of business operation. The observation of the production facilities and retail outlets appeared to corroborate what was described by the owners and designers. For example, company A's owner described her designs as "fashion forward", high quality, and wearable. The décor of the retail outlet, as well as the clothing itself, reflected her collection characteristics and design philosophy. In addition, her design studio reflected her need for a creative outlet. For company B's designer, her private space was much smaller in size than A's, reflecting her integration with the production area as a whole.

For both companies B and C, the production facilities appeared very organized and systematic, and the utilization of computer technology was obvious. These same companies' retail spaces were very different reflecting the type of clothing produced and nature of the outlet. For company B, the factory outlets are only open twice a year, therefore minimal attention is paid to detail or the décor of the space. Because it is a factory outlet, it is designed to reflect this concept. The designer clothing in this outlet is of high quality and competitively priced, as described by the designer. When you walk into company C's retail space, it is obvious that they cater to the market for custom-made clothing.

Environmental Factors

The second objective of the study was to determine the effects of technology, globalization, flexible business networks, changing retail structures, and demographic changes on the competitiveness of fashion design companies. These environmental factors have had varying levels of effect on competitiveness for the respondents. Several distinctions were noted between the survey respondents and the case study respondents. These include their views on the effect of computer technology and networking.

Computer Technology

A large proportion of respondents are aware that computer systems have the potential to make the creative process more rewarding by relieving the constraints of time placed on designers and reducing the costs of production. But few survey respondents are utilizing technology for the production stages of manufacturing. It is primarily

used for administrative and accounting functions. As indicated earlier, the main reason for not taking full advantage of computer technology may be financial feasibility and practicality. There is an indication that it might be useful to have computer technology on a rental basis for doing tasks such as grading and marker-making. The flexibility of the small company size, allows them to handle small production runs, whereas large companies are less flexible to respond quickly to changing fashion trends due to high production costs.

For two of the case study respondents, computer technology is absolutely necessary in assisting them with meeting the needs of their customers. Technology allows them to function effectively in an environment outside the major garment manufacturing centres in Canada. The costs of such technology does not prevent these companies from moving ahead and accomplishing their goals. The remaining firm is in the process of purchasing a computer system because the owner is aware of its importance to her company's future.

Globalization

The respondents are not actively involved in exporting their manufactured products. The decision to expand business opportunities outside Canada is complex, requiring careful planning and research, and for the participants appears to depend on the type of product and the services offered. Case C's manager emphasized that custom-tailored clothing is not the type of product or service that can be offered across the border. Case A's product became too expensive in overall production costs and end price for the consumer, thus exporting to the United States was discontinued.

It appears that the majority of respondents are niche marketing,

remaining small and specialized rather than including an international business focus. Perhaps this is an area for the government to direct programs to help these small businesses prepare for exporting products.

All the case study owners mentioned the changing and shrinking marketplace and the difficulties of breaking into it. In general, it was felt there is less manufacturing of raw materials globally, which affects sourcing. This results in less variety and choice of fabrics. One of the respondents has experienced some difficulty sourcing fabric under NAFTA, specifically the "yarn of origin" rule. By developing a satisfactory relationship with suppliers, these companies have alleviated some of the difficulties associated with sourcing materials.

Flexible Business Networks

While alliances between small businesses and the associated benefits could not be determined, the importance of networking is recognized by some of the survey respondents (45%). Joint efforts have been shown to enhance business opportunities and increase competitiveness with larger companies.

Two of the case study respondents share business contracts with other companies in the apparel industry to increase their competitiveness with larger companies. Information sharing amongst clothing manufacturers is important in understanding certain business concepts and production processes. What became apparent, was not only networking with those in the industry, but with different types of local businesses. This has the potential of benefiting the local economy, as well as developing symbiotic relationships among businesses.

However, only the case study participants were actually networking with other companies in Alberta. From the data provided, it is possible

that small Alberta design and manufacturing firms are not taking full advantage of business alliances to increase their competitive advantage by seeking new markets, sharing costs, and joint decision making.

Changing Retail Structures

Beatty (1993) indicated that linkage along the supply chain, a structuring concept in the apparel industry is becoming prevalent. This is accomplished through the use of technology, specifically Electronic Data Interchange (EDI) and Quick Response (QR) systems. To a small degree, technology has affected all the company's relationships with buyers and suppliers, but they still are not utilizing EDI or QR. This is probably due to the small company size. What is evident amongst the respondents was the use of computer technology in communicating with buyers (26%) and suppliers (17%). Although this is not a large percentage, it could be indicative of a growing trend towards closer and faster working relationships, to achieve a better balance between the interests of the manufacturers and other segments of the industry. Case C was in the process of exploring the computer for use with business communication, and case A's designer is in the process of utilizing technology in developing her freelance skills for communication with Hong Kong.

The respondents also appear to have an increased focus on the end-user (market orientation) through the predominance of custom-made clothing and the special services offered. The wave of the future is customization as identified by Black (1998). Custom-made clothing is the largest category of clothing manufactured by the respondents, but due to the small company size, the scale is quite different from larger companies using computer technology such as CAD body scanning for

producing custom-made clothing. However, customization may provide the participants in the study an edge in a competitive environment.

Demographic Changes

While this survey did not explore customer demographics, an emphasis on the production of sportswear and casual wear was evident amongst the survey respondents; a growing consumer trend. Case B made a clear reference to the influence of demography. The owner alluded to the company considering a new target market, the children of baby boomers. Historically, this particular company appears to have responded according to changing trends in the marketplace, for example, moving through the various trends in men's clothing through the decades. This same owner mentioned that the company's career apparel line is designed to modify the casual trend in the workplace. In his own words, "we are competing against an "idea" and not a competitor of career wear.

Vertical Integration

The third objective of this study was to determine the extent of vertical integration of design firms in Alberta. According to this research, approximately 87% of the respondents are performing multiple functions along the supply channel. This is a very large proportion of companies that are vertically integrated. It was reported by the case study owners that vertical integration has given them "control" of all functions providing them access to the marketplace, and a way to adapt to a changing environment. One respondent felt that vertical integration, itself, was a competitive advantage for a small company, a way to adapt. Remaining small and specialized appears to be the strategy of "choice" for the respondents, but it also means they have to

be proficient at many functions. Thus, there are potential problems associated with vertical integration. Some of the problems reported by the case study respondents are personal time constraints and the new challenges of direct customer contact and merchandising.

Why is there such a high propensity towards vertical integration? It is possible that vertical integration is seen as the best solution in dealing with the distance from the large garment centres in Canada. However, vertical integration may be isolating Alberta companies even more from these centres. Given the dominance of direct selling and the negative perception of Canadian retailers amongst the respondents, it is possible that Alberta manufacturers do not fully understand the needs of mass retailers. Directing educational programs towards dealing with mass merchandisers may be another option to assist companies with breaking into the Canadian marketplace. In addition, these programs may alleviate the difficulties associated with the problems of isolation and "poor recognition" experienced by Alberta design firms.

"Success"

The fourth objective of this study was to determine criteria for "success" as defined by the owner's and designer's personal construction and interpretation of reality. Traditionally, researchers often measured success by rate of sales growth, levels of profitability and focusing on personality characteristics. From the rates of sales growth alone, it is difficult to determine the degree of "success" amongst the respondents, as there was only a slight increase in sales over the years 1993 to 1995. Generally, the companies appear to be in a relatively stable position. This study utilized an interpretive component to gain

an understanding of "success", as there is more to "success" than just growth rates. "Success" itself is a personal concept, as the definition of "success" was described more often as personal satisfaction and a desire to please their customer, rather than a business-oriented plan for success.

Approximately 94% of the survey respondents defined "success" for their business by identifying three criteria. In order of importance, customer satisfaction, profit, and quality were the criteria most often used to define "success". It is not surprising that this group chose customer satisfaction as the most important criterion. The owners surveyed appear to have a market-driven orientation, satisfying the wants of its specified customer. A customer focus is evident by the main type of product (customized orders) produced, and the specialized customer services that are offered. For small companies in the sewn products industry, customization may be a way to survive.

The notion of "making it big" is not foremost in the minds of the respondents, nor is the desire for wealth. Being comfortable with who they are and focusing on their particular niche appears to be the prime motivation for "success". Expansion of business opportunities was not important to case B's owner, whereas case A's designer/owner was interested in advancing her freelance design career. Case C's owner is interested in expanding the retail side of the business.

Kalleberg and Leicht (1991) emphasize that successful companies are those that best adapt to their capabilities and opportunities provided, and from the constraints imposed by their environment. Craig and Horridge (1995) surveyed owners of apparel manufacturing firms and found the importance of business and marketing characteristics to the

success of business. This research found that the respondents are adapting to a changing environment, given that Alberta is located outside a large garment centre, and owners appear to have a strong marketing orientation.

Overall, it may be that the respondents are viewing "success" as simply surviving (indicated by the relatively stable growth rates), as long as their personal needs are met. Whether or not a company chooses such strategies as vertical integration, customization or exporting is ultimately determined by what the company owner really wants, and that may simply be defined as remaining comfortable as a small, flexible, market-oriented company, focusing on satisfying their customer.

Criteria for Viability

On the basis of the findings, it appears that there are important characteristics described by owners (and some designers) that can be classified as criteria for viability. From the analysis of the data, it appears companies that survive in business have the following criteria in common:

1. Develop a narrow "focus" or strategy for their company's particular niche. This may or may not be identified in a formally written plan, however, the plan or goals need to be clear and be continually updated. The plan is not static.

2. Adapt to a changing environment according to the company's capabilities and the opportunities provided. This entails having the flexibility to change marketing techniques or possibly move the company into new target markets. The significance of adapting to computer technology cannot be overlooked.

3. Adopt a "realistic" philosophy, both in the types of products

sold, and the tasks that can be accomplished if you are both the designer and the owner of a company. Be willing to delegate some of the responsibilities and "do what you do best".

4. Continue to learn and access resources to assist with the business needs of the company.

5. Network with other companies, including the sharing of contracts to strengthen business opportunities and increase competitiveness.

CHAPTER VII. SUMMARY, CONCLUSION, RECOMMENDATIONS, AND FUTURE RESEARCH

This chapter provides a summary of the study including the purpose, literature reviewed, conceptual framework, and the two research methods utilized. The findings are summarized, followed by recommendations for improved business strategies, conclusion, and recommendations for further research.

SUMMARY

The purpose of this study was to determine the viability of independently owned fashion design firms in Alberta and to explore their business strategies. To ascertain their viability, certain objectives were examined including compiling a profile of independent fashion design businesses in Alberta, determining the effects of environmental factors, the extent of vertical integration and company owner's and designer's criteria for "success".

The literature review began with the history of the Canadian fashion industry and its designers. An understanding of the history of the Canadian fashion industry is necessary in determining its characteristics, and its position in today's marketplace. Characteristics of apparel manufacturers in Alberta were examined, as well as the limited amount of information available concerning their business practices. Literature relating to design, small business and "success", specific to the apparel industry was discussed. The review also included an examination of the following environmental factors shaping the future of the apparel industry: computer technology, globalization, competitiveness, flexible business networks, changing

retail structures and demographic and sociocultural trends. Finally, the existing support system for the Canadian fashion industry was examined and discussed.

The conceptual framework for this study was adapted from Sontag and Bubolz's (1986) ecosystem model. The specific Ecosystem Model for Vertically Integrated Apparel Design Businesses, developed for this study, provided a framework for describing a defined population, and understanding the interaction and interdependence between the designer/owner, the business and the external environment.

In fulfilling the objectives of this study, two research strategies, survey and multiple case study, were utilized. Following a pilot study, questionnaire packages (for the owner and designer), which addressed general production characteristics, business and competitive strategies, owner demographics and behaviorial characteristics, and designer characteristics, were mailed to 161 fashion apparel design manufacturers in Alberta. The return rate for the survey was 19.8%. Profiles were developed by organizing and summarizing the data through descriptive statistics.

Following the survey, three case studies were carried out in the Edmonton area to enhance the research process, through structured tape-recorded interviews with the owners and designers, and through observation of the retail and production areas. Case descriptions were documented. Following the case discussion, comparative analysis of the survey and case study results was examined.

Business Profile

The first objective was to compile a profile of fashion design

businesses in Alberta, that included production characteristics, general business and competitive strategies and owner/designer characteristics.

One of the main categories of clothing produced by Alberta's apparel design companies is career wear, with emphasis placed on products which are "fashion forward" and of high quality. Sourcing materials in western Canada is problematic, particularly when small quantities are required. However, these difficulties appear to be alleviated when a satisfactory working relationship is developed with sourcing agents.

Distribution of products is primarily through their independently owned retail outlets. Special contracts were another important means of distributing products for both research groups. Breaking into the domestic marketplace presented difficulties, primarily due to Canadian buyers only acknowledging "familiar designer labels". This problem is suggestive of centralized purchasing practices in eastern Canada, or possibly a poor understanding of the needs of mass retailers by the respondents.

The findings indicated the importance of direct marketing activities. Respondents reflect the adoption of a market-oriented philosophy, through their concern with customer needs, provision of quality service, and their willingness to change marketing activities as the company grows. The case study respondents in particular, exhibited creativity in their marketing approaches, through product positioning. For example, visibility was being provided by garments worn by television anchors or media personalities.

Contrary to Wall, Sommers, and Wilcock (1994) findings of few written business plans amongst retail owners, the owners interviewed in

the case studies confirmed the importance of business plans. Even though one case study respondent did not have a formally written business plan, all the owners have developed strategies, as well as a definite "focus" for their company. Goals were continually updated, and being able to adapt to a changing environment was critical. Finally, it was stated that vertical integration, itself, was a competitive advantage, a way to adapt to a changing environment.

The ecosystem model adapted for this study provides a framework for describing the research groups interaction and interdependence with the external environment. The structure of the apparel firm, including the behaviorial characteristics, values, skills and goals of its owner/designer determine the internal limits of the competitive strategy(ies) a company adopts, and is vital to its outcomes. The external environmental factors or inputs affect the competitiveness of the business. The environment provides opportunities, as well as threats or frustrations that define the competitive environment. An example of a frustration for both research groups in this study was Canadian buyers supporting "familiar designer labels". The case study respondents, in particular, have demonstrated the significance of adapting to a changing environment to achieve their business expectations and "success".

Environmental Factors

The second objective of the study was to determine the effects of environmental factors. This research found that the environmental factors, computer technology and networking had a noticeable effect on companies. The case study respondents indicated that computer

technology was absolutely necessary for the production stages, as well as for accounting and administration activities. The use of computer technology for the production stages increased the speed of sorting and shipping orders. Few survey respondents were utilizing technology for production activities. This may be due to the fact that approximately 50% of the survey respondents were operating home-based businesses. These companies do not have large production facilities that require or can accommodate computer technology to the extent of the case study respondents. Therefore, small company size, financial feasibility, and practicality are probably reasons for not fully utilizing computer technology. An opportunity exists for companies to provide CAD services such as grading and marker-making to small apparel firms.

Business networks provided a means for small companies to increase their competitiveness over larger companies through sharing of contracts. In addition to the usual benefits of networking, this research indicated that networking was also mutually beneficial for companies networking with businesses outside of the apparel industry. However, only a small proportion of companies were actually involved in networking, thus it is possible Alberta companies are not taking full advantage of business alliances.

A large proportion of respondents are not exporting products. The prevalence of small company size and the predominance of custom-made products provides some explanation. However, customization need not limit exporting products. Perhaps there is a need for educational programs on export readiness. For those few companies that export products, the United States is the primary importer. Research on exporting has been carried out by the case study respondents. The

important criteria for exporting to the United States were accessibility and locations possessing a similar climate, to ensure that the product required is like the domestic product. NAFTA's yarn of origin rule has not alleviated sourcing difficulties, disqualifying a respondent from preferential duties.

This study found an increased focus on the customer through the predominance of custom-made clothing and the special services offered. Customization may provide a solution to the problems associated with small company size, and a way to adapt to a changing environment.

Demographic changes did not appear to have a significant effect on the respondents. There was evidence of an increase in production of sportswear and casual wear among the survey participants, in response to a consumer trend. This research did not reveal any other influential environmental factors affecting apparel manufacturing companies.

Vertical Integration

The third objective was to determine the extent of vertical integration of fashion manufacturing firms in Alberta. Small company size is a reality for Alberta design and manufacturing companies. Ninety-five percent of the respondents employ less than 100 staff, and 65% of these companies employ 5 or less individuals. Eighty-seven percent of the respondents are vertically integrated. Vertical integration was seen as a solution to the problems associated with small company size and the distance from eastern Canadian buyers, providing greater control over the supply channel functions in accessing the marketplace. However, vertical integration was not without its problems. Difficulties were experienced with personal time management,

and the challenges of direct customer contact and merchandising. In addition, vertical integration may be isolating Alberta companies from the main garment centres in Canada.

"Success"

The fourth objective was to determine criteria for "success" defined by the owners and designers. "Success" from their point of view was often described as personal satisfaction and a desire to please their customer, rather than specific business strategies. In addition to a more personal definition of "success", the research found that companies which survive appeared to have the following criteria in common: 1) have a narrow "focus" or strategy for their company's particular niche, 2) adapt to a changing environment, 3) adopt a "realistic" business philosophy, 4) subscribe to continual learning and accessing resources and 5) network with other businesses.

RECOMMENDATIONS FOR IMPROVED BUSINESS STRATEGIES

The final objective of this study was to make recommendations for improved business strategies. Recommendations for a stronger support system and educational needs are discussed.

Support Systems Needed

In 1997, Edmonton and Calgary's Garment Associations amalgamated to form the Association of Sewn Alberta Products (ASAP), and was approved by the Canadian Apparel Federation (CAF) Board to become the Federation's member chapter in Alberta. One of the reasons for amalgamating is the strength in numbers provided to lobby government bodies, other industry associations, the media, and local and foreign

investors. As a member of ASAP, a company is automatically a member of the CAF, the association for Canada's apparel industry. The ASAP is a new initiative and a needed voice to the CAF for Alberta's apparel manufacturing industry. Membership support will strengthen the industry and benefit individuals (and companies), both personally and professionally.

The problem of "poor recognition" of western Canadian designers is associated with a lack of support and visibility. One respondent suggested that an "Alberta-Made" program for apparel manufacturers could be beneficial for this industry. In addition, support from the CAF could also raise the profile of western Canadian designers. This could possibly be achieved by funding a *Western Canadian Fashion Showcase*, similar to the show implemented in New York city by the CAF to promote Canadian designers. In addition, the government or the CAF could offer programs on promotional strategies, and informational programs on exporting.

An initiative that has recently failed in Edmonton was the [illegible]re Group, a garment co-operative. This would have benefited the local fashion industry, particularly new designers who have difficulties in establishing themselves and accessing production and design facilities. As one of the case study respondents so aptly stated, Alberta does not have the momentum to sustain such efforts and that associations "peak and valley" with the quality of its leaders. Hopefully, ASAP will have the strength to sustain itself and provide the necessary support for this industry.

Education

Training programs in Alberta are needed for production personnel,

particularly machine operators (sewers) and CAD operators. This could be achieved through short-term programs funded by the government and industry, possibly with supplies and expertise provided by local apparel manufacturers and/or educational institutions (university extension, fashion colleges). While training programs are indicated for production personnel, there is a potential problem for placement of workers due to the low numbers of individuals in this industry. It is important to consider this fact, and try to develop the smallest viable program possible. In addition, directing educational programs towards companies to understand the needs of mass retailers, may assist with the problems of isolation and negative perceptions of Canadian retailers, and create better working relationships. By working together, a closer relationship could develop between the government, the industry and educational institutions. Education is an investment for the future.

CONCLUSION

The business of manufacturing fashionable apparel in Alberta is essentially comprised of small production facilities. Albeit small, there exists viable companies that have survived and overcome the problems of a fragmented industry. The predominance of vertically integrated companies in this research group demonstrated that "control" over the design, production and retail functions, provides access to the marketplace and a way to adapt to a changing environment.

The companies researched demonstrated the importance of maintaining a narrow "focus" on their particular niche through direct marketing activities, plus the ability to adapt to a changing environment. The environmental factors, including computer technology

and networking, were important to this industry. Companies may not be taking full advantage of computer technology due to financial feasibility and practicality for a small business. A computer-aided design service for small apparel manufacturers may be a much needed business opportunity.

The main concerns for manufacturers in Alberta is the need for the Association of Sewn Alberta Products to provide a strong voice to governing bodies, greater recognition, and training of production personnel. Teamwork, and a common voice are essential to enhance its profile, and to access training workshops and programs offered by the Canadian Apparel Federation.

Alberta is an environment that offers entrepreneurs in the apparel industry many advantages. These include a less competitive environment, a potentially kinder media, loyal customers, low labour costs, decreased capital costs, less turnover of staff and a beautiful and safe environment in which to live. The fashion industry is also a means of diversifying the economy, through this renewable resource.

RECOMMENDATIONS FOR FURTHER RESEARCH

This study is one of several that has explored the business practices of independent fashion design businesses in Alberta. Many questions, however, are left unanswered.

Additional research is needed to explore the reasons for failure of garment associations and initiatives such as the Empire Group. More research is needed to determine answers to the following questions. How important are these groups and efforts to the individual manufacturer? Are manufacturers apathetic and just concerned with their own survival?

How can the relationships be improved between eastern and western Canada? How can Alberta companies break into the eastern Canadian marketplace? In addition, how do Alberta consumers view the garment industry? Would consumers support a "Buy Alberta" products campaign for apparel? Are manufacturers truly reflecting Alberta's clothing needs, and should Alberta consumers be the main focus for their business? Finally, it would be beneficial to interview companies that are no longer in business, to explore their reasons for "failure".

Future studies might also investigate the organizational structure of the *Toronto Incubator* system and reasons for its success. It may be feasible to establish a garment co-operative facility based on the Toronto model. In addition, exploring the structure of Winnipeg's garment sector, an example of a unified sector, could be beneficial to the Alberta industry. What can we learn from them?

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APPENDIX A

SURVEY QUESTIONNAIRE

Dear Alberta Fashion Business:

I am a graduate student in the Department of Human Ecology at the University of Alberta, currently working on a Master's thesis focusing on Alberta fashion businesses. The objectives of this research include: 1) developing a profile of independent fashion design businesses in Alberta, 2) determining the effects of certain factors such as technology on the competitiveness of fashion design businesses and 3) determining criteria for "success" as defined by the business owners/designers. Although there is much information concerning the generalities of small business practices, there is limited information specific to your type of business. To accomplish this task, we need your feedback. This information would be useful in planning educational programs for apparel design businesses and for fashion design programs.

Your business is one that has been chosen to provide information about Alberta fashion businesses. In order that the results truly represent all elements of the Alberta fashion industry, it is important that each questionnaire booklet be completed and returned. It is also important that we receive responses from both the company owner and the designer. Thus, there is one questionnaire booklet to be filled out by the company owner or the person mainly responsible for business matters, and one questionnaire booklet to be filled out by the designer (the individual most responsible for the collections). If the company owner is the designer, this individual should fill out both questionnaire booklets. The booklets should be returned in the self-addressed, stamped envelope. Your cooperation is gratefully appreciated.

The enclosed questionnaire booklets have been developed to fulfill the purpose of this research. Any information you possess relating to this study is confidential and will be used only for research purposes. Participation is completely voluntary, however, your contribution would be extremely helpful to this study. The choice is yours to refrain from answering specific questions that may make you feel uncomfortable. The questionnaire booklets have an identification number for mailing purposes only. This is so that we may check your name off of the mailing list when the booklets are returned. No names will be placed on the questionnaire booklets or associated with the results.

A summary of results will be made available when the research is complete. You may receive a summary of the results by writing "copy of results requested" on the back of the return envelope, and printing your name and address below it. Please **do not** write this information on the booklets.

I would be most happy to answer any questions you might have. I can be reached at 492-5997.

Thank you for your assistance.

Sincerely;

Valerie Gross
BSc Home Economics
MA Candidate

Survey of Alberta Fashion Businesses

This questionnaire is divided into three sections: A) Production characteristics of the business; B) Business and competitive strategies; and C) General characteristics. Each section contains a number of questions. Please circle the number of item(s) which best answer the question, or fill in the blank(s) where appropriate.

A. Production Characteristics of the Business

1. What functions are performed by your firm? (Circle all numbers that apply)

   1 DESIGN
   2 MANUFACTURING
   3 RETAIL
   4 OTHER (please specify)_____

2. From what country do you source your fabric? (Circle all numbers that apply)

   1 CANADA
   2 UNITED STATES
   3 MEXICO
   4 EUROPE (specify country(ies)_____
   5 OTHER (please specify)_____

3. What problems do you encounter when sourcing materials? (Circle all numbers that apply)

   1 LATE DELIVERIES
   2 CAN ONLY ORDER LARGE QUANTITIES
   3 LACK OF SUPPLIES IN WESTERN CANADA
   4 NO PROBLEMS
   5 OTHER PROBLEMS (please specify)_____

4. What categories of designed clothing is your company involved in producing? (Circle the numbers that apply for each applicable category)

Women's	Men's	Children's	
1	1	1	CUSTOM-MADE
2	2	2	HIGH FASHION
3	3	3	CAREER
4	4	4	SPORTSWEAR
5	5	5	CASUAL
6	6	6	EVENING/FORMAL WEAR
			OTHER (please specify)_____

5. How many collection lines are produced each year?

_____NUMBER PER YEAR

6. Are other finished products purchased/imported to complete your line? (Circle number)

1 YES
2 NO

7. Describe the location of your business. (Circle all numbers that apply)

1 HOME-BASED
2 STRIP MALL
3 STAND ALONE BUILDING
4 LARGE SHOPPING COMPLEX
5 RESIDENTIAL AREA
6 INDUSTRIAL AREA
7 CITY CENTRE
8 OTHER (please specify)_____

8. What is the physical size of your facility?

_____SQUARE FEET OR _____SQUARE METRES

9. Which trade shows did you or other company representatives attend over the last 12 months? (Circle numbers that apply and indicate the name of the show for each city)

		NAME OF SHOW
1	TORONTO	_____
2	MONTREAL	_____
3	VANCOUVER	_____
4	NEW YORK	_____
5	DUSSELDORF	_____
6	OTHER (please specify)_____	

10. Is a computer utilized by your company to assist with:
(Circle all numbers that apply and indicate computer system used where appropriate)

		COMPUTER SYSTEM
1	NOT APPLICABLE	_____
2	SKETCHING/DESIGNING	_____
3	PATTERN-MAKING	_____
4	MARKER-MAKING	_____
5	GRADING	_____
6	CUTTING	_____
7	ACCOUNTING/ADMINISTRATIVE	_____
8	COMMUNICATION WITH BUYERS	_____
9	COMMUNICATION WITH SUPPLIERS	_____
10	OTHER (please specify)	_____

11. What are the reasons for utilizing technology? (Rate the following reasons according to a scale from 1-VERY IMPORTANT to 5-NOT IMPORTANT and circle the number that applies)

		VERY IMPORTANT		SOMEWHAT IMPORTANT		NOT IMPORTANT
1	Reduce production time	1	2	3	4	5
2	Reduce costs of creating new lines	1	2	3	4	5
3	Test different styles and fabrics	1	2	3	4	5
4	React quickly to market demands	1	2	3	4	5
5	Increase administrative efficiency	1	2	3	4	5
6	Communicate with suppliers	1	2	3	4	5
7	Communicate with buyers	1	2	3	4	5
8	Reduce number of staff needed	1	2	3	4	5
9	Other (please specify)					

12. If you manufacture any items off the premises, what are the advantages and disadvantages for doing this?

ADVANTAGES_____

DISADVANTAGES_____

B. Business and Competitive Strategies

13. Please indicate the need for information to help your business in each of the following areas. (Circle the number that applies to each item from 1-MOST NEEDED to 5-NOT NEEDED)

		MOST NEEDED		SOMEWHAT NEEDED		NOT NEEDED
1	Routine record keeping	1	2	3	4	5
2	Financial planning	1	2	3	4	5
3	Insurance, licenses, taxation	1	2	3	4	5
4	Marketing your product	1	2	3	4	5
5	Product development research	1	2	3	4	5
6	Sourcing information	1	2	3	4	5
7	Technology updates	1	2	3	4	5
8	Other (please specify)					

14. By what means does your company attempt to understand the needs of its customers? (Circle all numbers that apply)

1 DISCUSSIONS WITH CUSTOMERS
2 DISCUSSIONS WITH SALES EMPLOYEES
3 OBSERVING CUSTOMERS IN THEIR ENVIRONMENT
4 USING EXTERNAL EXPERTS
5 FOLLOWING TRADE PUBLICATIONS
6 OTHER (please specify)_____

15. Who is your target market? (eg. gender, income, age, business, lifestyle)

16. What image does your company try to project to its customers? (Circle all numbers that apply)

1 FASHION FORWARD
2 HIGH QUALITY
3 LOW COST
4 ENVIRONMENTALLY FRIENDLY
5 SELLING A LIFESTYLE
6 BUSINESS-LIKE IMAGE
7 OTHER (please specify)_____

17. What special services do you offer to your customers? (Circle all numbers that apply)

1 LAY-AWAY PLANS
2 INTEREST FREE SHORT TERM PAYMENT PLANS
3 NO CHARGE ALTERATIONS
4 CUSTOMIZED ORDERS TO INDIVIDUAL NEEDS
5 SPECIAL CUSTOMER SERVICES (EG.VISIT CUSTOMER AT PLACE OF BUSINESS, HOME VISITS)
6 WARDROBE CONSULTING
7 OTHER (please specify)_____

18. By what means do you promote your company? (Circle all numbers that apply)

1 BROCHURES
2 NOTICES TO CUSTOMERS FOR UPCOMING COLLECTIONS
3 CATALOGUES
4 INVITATIONS TO FASHION SHOWS
5 CONTACT WITH POTENTIAL CORPORATE CLIENTS
6 TV ADVERTISING
7 NEWSPAPER ADVERTISING
8 FASHION MAGAZINE ADVERTISEMENTS
9 TRADE MAGAZINE ADVERTISEMENTS
10 OTHER (please specify)_____

19. What percentage of the budget is spent on promotion?

____% SPENT

20. What percentage of your customer base for both retail and wholesale are regular clients (if applicable)?

_____%RETAIL _____%WHOLESALE

21. In the domestic (Canadian) market how are your products distributed? (Circle all numbers that apply and indicate what percentage is sold through each)

1 YOUR OWN RETAIL OUTLET ____%
2 OTHER LOCAL (ALBERTA) OUTLETS ____%
3 MAIL ORDER ____%
4 BUYERS FOR CANADIAN RETAILERS (OTHER THAN ALBERTA) ____%
5 SPECIAL CONTRACTS (EG. GOVERNMENT, CORPORATIONS) ____%
6 HOME PARTIES ____%
7 OTHER (please specify)_____%

22. What is the percentage rate of growth in sales (either positive or negative) for this company over the last 3 years? (Please estimate)

1 ____% 1993
2 ____% 1994
3 ____% 1995

23. By the year 2000 do you expect your company sales to: (Circle one number)

1 INCREASE
2 DECREASE
3 NO CHANGE

IF YOU DO NOT EXPORT, OMIT THE FOLLOWING TWO QUESTIONS. GO TO QUESTION #26.

24. To where are your products exported? (Circle number(s) that apply and also indicate the percentage of products exported to each country)

1 UNITED STATES ____%EXPORTED
2 MEXICO ____%EXPORTED
3 GREAT BRITAIN ____%EXPORTED
4 OTHER ____%EXPORTED (please specify)_____

25. Are the exported products different from the ones manufactured for the domestic market? (Circle one number)

1 YES
2 NO

26. What are your reasons for either **exporting** or **not exporting** products?

27. Is networking or linking with other companies important to your firm? If so, why? (Circle all numbers that apply)

1 NOT IMPORTANT
2 REDUCE COSTS OF PRODUCTION
3 STRENGTHEN BUSINESS OPPORTUNITIES
4 PROVIDE ASSISTANCE IN SEEKING NEW MARKETS
5 INCREASE COMPETITIVENESS WITH LARGER COMPANIES
6 OTHER REASONS (please specify)_____

28. How many individuals are employed by your company? (Please indicate numbers for each category).

1 PART-TIME: _____
2 FULL-TIME: _____
3 CONTRACT: _____
4 OTHER (please specify)_____

29. For what types of jobs do you have most difficulty finding trained workers? (Circle all numbers that apply)

1 DESIGNERS
2 TAILORS
3 CUTTERS
4 PATTERN MAKERS
6 MARKER MAKERS
7 SEWERS
8 SALES PERSONNEL
9 OFFICE PERSONNEL
10 OTHER (please specify)_____

30. How important is the company's commitment to each of the following: (Rate each according to the scale from 1-MOST IMPORTANT to 5-LEAST IMPORTANT and circle the number that applies)

	MOST IMPORTANT		SOMEWHAT IMPORTANT		LEAST IMPORTANT
1 High quality product	1	2	3	4	5
2 Training of employees	1	2	3	4	5
3 Customer centered product development	1	2	3	4	5
4 Unique design focus	1	2	3	4	5
5 Competitive price	1	2	3	4	5
6 Use of latest technology	1	2	3	4	5
7 Customer Service	1	2	3	4	5

31. Do you have a formal/written business plan for your company? (Circle number)

1 YES
2 NO

32. Are the company's goals evaluated on a regular basis? (Circle number)

1 YES
2 NO

33. Do you have an individual or a group of employees who work on marketing? (Circle number)

1 YES
2 NO

34. What trade publications and trend/forecast services does your company subscribe to? Please list.

35. When was this business established? (Give the Day, Month, Year)

____DAY ____MONTH ____YEAR

C. General Characteristics

36. Are you the designer as well as the owner/manager?

1 YES
2 NO

37. Is this company a:

1 SOLE PROPRIETORSHIP
2 PARTNERSHIP
3 CORPORATION
4 OTHER (please specify)_____

38. Is this company your sole source of income?

1 YES
2 NO

39. How many hours per week do you devote to the company?

____ number of hours

40. What is the percentage of your time spent in each of the following areas? (Total equals 100%)

____% MANAGEMENT ACTIVITIES
____% DESIGN
____% PRODUCT DEVELOPMENT
____% BUSINESS COMMUNICATION
____% MARKETING
____% RESEARCH
=100% TOTAL

41. When did you last attend a business seminar? (Circle number that applies)

1 WITHIN THE LAST YEAR
2 WITHIN THE PAST 2-5 YEARS
3 HAVE NOT ATTENDED ONE IN FIVE YEARS

42. What other business experience do you have (including the apparel industry)?

43. How would you rate your relationship with: (Rate each category on a scale from 1-SATISFACTORY to 2-UNSATISFACTORY and circle the appropriate number)

	SATISFACTORY		SOMEWHAT SATISFACTORY		UNSATISFACTORY
1 Suppliers	1	2	3	4	5
2 Buyers	1	2	3	4	5
3 Customers	1	2	3	4	5

44. How would you rate your ease in delegating duties to other company employees? (Circle the appropriate number)

NOT DIFFICULT		DIFFICULT		VERY DIFFICULT
1	2	3	4	5

45. How would you rate your ease in implementing new business practices? (Circle the appropriate number)

NOT DIFFICULT		DIFFICULT		VERY DIFFICULT
1	2	3	4	5

46. How would you rate your comfort level for taking financial risk? (Circle the appropriate number)

VERY COMFORTABLE		SOMEWHAT COMFORTABLE		UNCOMFORTABLE
1	2	3	4	5

47. What are the problems, if any, in being isolated from the main centres of fashion in Canada (eg. Toronto, Montreal)? (Circle all numbers that apply)

1 NO PROBLEMS
2 LACK OF STIMULATING FASHION ATMOSPHERE
3 DISTANCED FROM MATERIAL SOURCES
4 LATE DELIVERIES
5 DIFFICULTY IN PURCHASING SMALL QUANTITIES
6 BUYERS ONLY SUPPORTING FAMILIAR NAMES
7 MARKETING SERVICES DIFFICULT TO OBTAIN
8 POOR RECOGNITION OF WESTERN CANADIAN DESIGNERS
9 OTHER (please specify)_____

48. What are your personal reasons for being in this business?

49. What three criteria would you say defines "success" as it relates to your company?

1 _____

2 _____

3 _____

50. What formal education do you have? (Please fill in the appropriate information in the spaces provided)

	INSTITUTION	DEGREE/CERTIFICATE
1 High School	_____	_____
2 Technical School	_____	_____
3 Fashion College/ Design School	_____	_____
4 University	_____	_____
5 Other	_____	_____

51. Your company position. (Circle all that apply)

1 OWNER
2 MANAGER

52. Your sex. (Circle number)

1 MALE
2 FEMALE

53. What is your age category? (Circle number)

1 25 YEARS AND UNDER
2 26-35 YEARS
3 36-45 YEARS
4 46-55 YEARS
5 56-65 YEARS
6 OVER 65 YEARS

THANK YOU SO MUCH FOR YOUR COOPERATION!

IF YOU HAVE ANY ADDITIONAL COMMENTS RELATED TO THE QUESTIONNAIRE OR THIS RESEARCH, NOTE THEM BELOW.

IF YOU WOULD LIKE A SUMMARY OF RESULTS, PLEASE WRITE "COPY OF RESULTS REQUESTED" ON THE BACK OF THE RETURN ENVELOPE, AND WRITE YOUR NAME AND ADDRESS BELOW IT (**NOT ON THIS QUESTIONNAIRE**). WE WILL BE PLEASED TO SEND YOU A COPY.

Please circle the number of item(s) which best answer the question, or fill in the blank(s) where appropriate.

DESIGNER

1. How would you rate the support personally received in your professional career from the following groups: (Rate each according to a scale from 1-VERY SUPPORTIVE to 5-NOT SUPPORTIVE and circle the appropriate number)

	VERY SUPPORTIVE		SUPPORTIVE		NOT SUPPORTIVE
1 Provincial Government	1	2	3	4	5
2 Municipal Government	1	2	3	4	5
3 Media	1	2	3	4	5
4 Canadian Apparel Federation	1	2	3	4	5
5 Designer Associations	1	2	3	4	5

2. Have you heard of Designlink? (Circle number)

   1 YES
   2 NO (If no, go to question #4)

3. If yes, has it been utilized as a resource for: (Circle all numbers that apply)

   1 FASHION FACTS
   2 PERSONALIZED RESEARCH
   3 CONSULTING SERVICES
   4 OTHER (please specify)_____

4. How many companies have you worked for as a designer?

   ____ NUMBER OF COMPANIES

5. What cities have you worked in as a designer? (Circle all that apply)

   1 MONTREAL
   2 TORONTO
   3 EDMONTON
   4 CALGARY
   5 WINNIPEG
   6 VANCOUVER
   7 OUTSIDE CANADA (please specify)_____

6. Why have you chosen to work in Alberta as a designer?

7. Are your products promoted under your own name? (Circle number)

   1 YES
   2 NO

8. Have your fashions been in a major Canadian Designer Showcase (eg. Toronto Ready-to-Wear Canadian Designer Collections)?

   1 YES
   2 NO

9. Have you ever applied for a Matinée Foundation Award?

   1 YES
   2 NO

10. What awards have you received as a designer?

11. Please indicate what level of design education/training received and the location and name(s) of the institute(s) attended.

	INSTITUTION	LOCATION
1 Fashion College/Design School(s)	_____	_____
	_____	_____
2 University	_____	_____
3 Other (please specify)	_____	_____

12. How many years have you been in the apparel industy?

____ YEARS

13. Your sex. (Circle number)

1 MALE
2 FEMALE

14. What is your age category? (Circle appropriate number)

1 25 YEARS AND UNDER
2 26-35 YEARS
3 36-45 YEARS
4 46-55 YEARS
5 56-65 YEARS
6 OVER 65 YEARS

THANK YOU SO MUCH FOR YOUR COOPERATION!

IF YOU HAVE ANY ADDITIONAL COMMENTS RELATED TO THE QUESTIONNAIRE OR THIS RESEARCH NOTE THEM BELOW.

APPENDIX B

CASE STUDY INTERVIEW SCHEDULE

Vertically Integrated Fashion Apparel Manufacturer

Re: Research for Masters thesis

Dear VI company;

I am a graduate student in the Department of Human Ecology at the University of Alberta, currently working on a Masters thesis focusing on Alberta fashion businesses. The objectives of this research include: 1) developing a profile of independent fashion design businesses in Alberta, 2) determining the effects of certain factors such as technology on the competitiveness of fashion design businesses and 3) determining criteria for "success" as defined by the business owners and designers. Although there is much information concerning the generalities of small business practices, there is limited information specific to your type of business. To accomplish this task, we need your feedback. This information would be useful in planning educational programs for apparel design businesses and for fashion design programs.

Your business has been chosen to provide information about Alberta fashion businesses because it is a viable vertically integrated company. In order that the results truly represent all elements of the Alberta fashion industry, with your consent, I would like to conduct two separate interviews; one with the company owner and one with the designer at your facility. As well, I would like to observe your production facility and retail space. The interviews should take between 1 and 3 hours, and the observations of the premises will take place on the same day. I would also like to tape record the interview, primarily as a back-up to verify information, but of course your permission to use a tape recorder is required. The tapes will be transcribed only by the researcher to verify the notes taken during the interviews and will be destroyed after successful completion of the thesis. Your cooperation and time is gratefully appreciated.

Any information provided by your company relating to this study is confidential and will be used only for research purposes. However, due to the small business community, any information that could possibly identify your company will require your approval. No names will be associated with the results. The choice is yours to refrain from answering specific questions that may make you feel uncomfortable, however, all responses would be extremely helpful to this study.

A summary of the results will be made available when the research is complete. A request for this information can be made at the time of the interview.

I would be most happy to answer any questions you might have. I

can be reached at 492-5997. (My adviser, Linda Capjack may also be reached at this phone number to answer any questions).

Thank you again for your assistance.

Sincerely,

Valerie Gross
BSc Home Economics
MA Candidate

CONSENT FORM

TITLE OF RESEARCH PROJECT: Vertically Integrated Fashion Businesses in Alberta: Factors Affecting Competitiveness

INVESTIGATOR: Valerie Gross, MA Candidate
University of Alberta
Edmonton, Alberta
Telephone: 492-5997

RESEARCH INFORMATION:

The purpose of this research is to obtain information about Alberta fashion design businesses. The objectives of this study are:

1. to profile independent fashion design businesses in Alberta.
2. to determine effects of certain factors such as technology on the competitiveness of fashion design businesses.
3. to determine criteria for "success" as defined by company owners and designers.

Completion of the interview with the owner should take between 1 and 3 hours. Completion of the interview with the designer should take approximately one hour. Following the interviews, the researcher will observe the production facility and retail space. This should not take more than one day.

Identity of the participants and company names will be kept confidential by the researcher and no names will be associated with the results. A summary of the results is available to participants who wish to receive one.

Please indicate if you give permission for the researcher to use a tape recorder during the interview.

____YES
____NO

CONSENT:

I acknowledge that the research procedures described above, of which I have a copy, have been explained to me, and that any questions that I have asked have been answered to my satisfaction. In addition, I know that I may contact the person designated on this form, if I have further questions either now or in the future. I have been assured that personal records relating to this study will be kept confidential. I understand that I am free to withdraw from the study at any time without jeopardy to myself.

_____
Name of Participant - please print

The person(s) who may be contacted about the research is:
Valerie Gross or Linda Capjack
at 492-5997

_____
Signature of Participant

_____
Signature of Witness

_____
Date

_____
Valerie Gross, Designated
Researcher

Interview Schedule of Business Owner

I'm interested in learning about three areas of your business; the production characteristics, the business and competitive strategies used and some general characteristics of you and your business. You are free to refrain from answering any questions that may make you feel uncomfortable.

1. Can you give me a brief history as to how your business began and the year it was established?

A. Production Characteristics of the Business

I'd like to find out about the production of your garments.

2. What functions are performed by your firm?

PROBES

1 DESIGN
2 MANUFACTURING
3 RETAIL
4 OTHER

Have the functions changed over time? (For example, maybe the retail outlet has only recently opened, do you have more than one retail outlet, production facility, etc.)

What are your reasons for performing 2 or more functions (vertically integrated)? Does it present problems for you?

3. From what country(ies) do you source your fabric?

Why do you source from these particular places? (quality, cost, etc.)

4. What problems do you encounter when sourcing materials?

PROBES

1 LATE DELIVERIES
2 CAN ONLY ORDER LARGE QUANTITIES
3 LACK OF SUPPLIES IN WESTERN CANADA
4 NO PROBLEMS

5. How do you categorize the designed clothing you manufacture?

Have the categories of clothing produced changed over time due to a change in demographics? (For example, targeting baby boomers, the older consumer, producing more casual clothing or producing less formal wear, etc.)

6. How many collection lines are produced each year?

Women _____NUMBER PER YEAR

Men _____NUMBER PER YEAR

Children _____NUMBER PER YEAR

The literature I have been reading indicates that the seasons are not as distinct as they used to be, and that people are buying pieces that can be worn all year round. Do you find this to be true and are your collection lines reflecting this consumer change?

7. Are other finished products purchased/imported to complete your line?

If yes, what types of products are added to your line? (clothing, accessories, lingerie, etc.)

8. What is the physical size of your facility?

_____SQUARE FEET OR _____SQUARE METRES

9. Which trade shows did you or other company representatives attend over the past year?

What do you think of Canadian trade shows? How are they beneficial to your business? How can they be improved upon?

10. Is computer technology utilized in your company? What functions do you use it for?

PROBES

1 SKETCHING/DESIGNING
2 PATTERN-MAKING
3 MARKER-MAKING
4 GRADING
5 CUTTING
6 ACCOUNTING/ADMINISTRATIVE
7 COMMUNICATION WITH BUYER
8 COMMUNICATION WITH SUPPLIERS
9 DATABASE

What computer system is used?

11. What are the reasons for utilizing technology? (Rate the following reasons according to a scale from 1-VERY IMPORTANT to 5-NOT IMPORTANT)

PROBES

1 Reduce production time

2 Reduce costs of creating new lines

3 Test different styles and fabrics

4 React quickly to market demands

5 Increase administrative efficiency

6 Communicate with buyers

7 Communicate with suppliers

8 Reduce number of staff needed

9 Storage of information (eg. database for standard patterns)

Considering that technology is continually being updated, how do you justify the costs of implementing a system? (cost recovery, fitting the company's needs)

How long would it take to recover the costs? (have they evaluated cost vs. productivity)

12. What is manufactured off the premises?

If you manufacture off the premises, what are the advantages and disadvantages for doing this?

ADVANTAGES

DISADVANTAGES

B. Business and Competitive Strategies

Now, I would like to talk about some business and competitive strategies used by your company, including marketing and distribution practices and exporting.

13. What areas of your business would benefit from information? (Rate them according to 1-MOST NEEDED to 5-NOT NEEDED)

PROBES

		MOST NEEDED		SOMEWHAT NEEDED		NOT NEEDED
1	Routine record-keeping	1	2	3	4	5
2	Financial planning	1	2	3	4	5
3	Insurance, licenses, taxation	1	2	3	4	5
4	Marketing your product	1	2	3	4	5
5	Product development research	1	2	3	4	5
6	Sourcing information	1	2	3	4	5
7	Technology updates	1	2	3	4	5

I would like to discuss your company's **marketing** approach.

14. How does your company attempt to determine and understand the needs of your customers?

PROBES

1 DISCUSSIONS WITH CUSTOMERS
2 DISCUSSIONS WITH SALES EMPLOYEES
3 OBSERVING CUSTOMERS IN THEIR ENVIRONMENT
4 USING EXTERNAL EXPERTS (CONSULTANTS)
5 FOLLOWING TRADE PUBLICATIONS
6 FOCUS GROUPS
7 SURVEYS

15. What trend publications do you subscribe to? Why?

Do you consult any forecast/trend services? Which ones?

16. Do you have an individual or group of employees who work on marketing? How is this beneficial to your company?

17. Who is your target market?

18. What image does your company try to project to its customers?

PROBES

1 FASHION FORWARD
2 HIGH QUALITY
3 LOW COST
4 ENVIRONMENTALLY FRIENDLY
5 SELLING A LIFESTYLE
6 BUSINESS-LIKE IMAGE

19. What special services do you offer to your customers?

PROBES

1 LAY-AWAY PLANS
2 INTEREST FREE SHORT TERM PAYMENT PLANS
3 CUSTOMER CREDIT
4 NO CHARGE ALTERATIONS
5 CUSTOMIZED ORDERS
6 SPECIAL SERVICES SUCH AS VISITING CUSTOMER AT PLACE OF BUSINESS, HOME VISITS, ETC.
7 WARDROBE CONSULTING

20. What promotional methods are utilized?

PROBES

1 BROCHURES
2 NOTICES TO CUSTOMERS FOR UPCOMING COLLECTIONS
3 CATALOGUES
4 INVITATIONS TO FASHION SHOWS
5 CONTACT WITH POTENTIAL CORPORATE CLIENTS
6 TV ADVERTISING
7 NEWSPAPER ADVERTISING
8 FASHION MAGAZINE ADVERTISEMENTS
9 TRADE MAGAZINE ADVERTISEMENTS

Have your promotional methods changed over time? How? (in response to changing consumer - adaptation to change over time)

21. What percentage of the budget is spent on promotion?

_____%spent

22. Do you wholesale in addition to retail? For what reasons?

23. In the domestic (Canadian) market how are your products distributed? Indicate what percentage is sold through each.

1	YOUR OWN RETAIL OUTLET	____%
2	LOCAL ALBERTA OUTLETS	____%
3	MAIL ORDER	____%
4	BUYERS FOR CANADIAN RETAILERS (OTHER THAN ALBERTA)	____%
5	SPECIAL CONTRACTS (EG. GOVERNMENT, BANKS, CORPORATIONS)	____%
6	OTHER?	=100%

PROBES

Are you interested in domestic expansion?

What are your frustrations or experiences associated with Canadian retailers or buyers?

24. What is the percentage rate of growth in sales (either positive or negative) over the past 5 years?

1 _____%1993 > 1992
2 _____%1994 > 1993
3 _____%1995 > 1994
4 _____%1996 > 1995
5 _____%1997 > 1996

25. By the year 2000 do you expect your company sales to:

1 INCREASE
2 DECREASE
3 NO CHANGE

26. Do you export your manufactured products?

How was the decision to export researched? (consulate, gov't regs, cultural changes, new product)

27. To where are your products exported? Indicate percentage exported to each country? Has sourcing been affected by NAFTA (if exporting to U.S.)

1	UNITED STATES	_____	%EXPORTED
2	MEXICO	_____	%EXPORTED
3	GREAT BRITAIN	_____	%EXPORTED
4	OTHER COUNTRIES?		=100%

28. Are the exported products different from the ones manufactured for the domestic market?

How are they different (product description)?

29. What are your reasons for either exporting or not exporting products?

PROBES (Is survival a reason, desire to make it "big", recognition, risky to export, risky to not export)

30. Is networking or linking with other companies important to your firm? ___YES ___NO If so, why?

PROBES

1 REDUCE COSTS OF PRODUCTION
2 STRENGTHEN BUSINESS OPPORTUNITIES
3 PROVIDE ASSISTANCE IN SEEKING NEW MARKETS
4 INCREASE COMPETITIVENESS WITH LARGER COMPANIES

31. How many individuals are employed by your company?

1 FULL-TIME: _____
2 PART-TIME: _____
3 CONTRACT: _____

What types of jobs are considered part-time?

What types of jobs are considered contract?

What incentives do you have for employees?
PROBES (day-care, English classes, bonus system, etc.)

32. For what types of jobs do you have most difficulty finding trained workers?

PROBES

1 DESIGNERS
2 TAILORS
3 CUTTERS
4 PATTERN-MAKERS
5 MARKER-MAKERS
6 SEWERS
7 SALES PERSONNEL
8 OFFICE PERSONNEL

What do you think the reason(s) is for this difficulty? (eg. inexperience, unskilled, education, low numbers of individuals in field)

Does your company offer training programs or are the employees sent elsewhere for training? What programs?

What could educational institutions do to assist with this problem? **PROBES** (eg. work more closely with the industry)

33. What do you see as your competitive advantage?

How important is the company's commitment to each of the following: Rate according to scale from 1- Very Important to 5-Not Important

High quality product

Training of employees

Customer centered product development

Unique design focus

Competitive price

Use of latest technology

Customer service

How is quality control of your products maintained?
PROBES (use of fit models, mannequins, etc.)

34. Do you have a formally written business plan for your company? If yes, why is it important for your company to do this? (found in the literature to be important to "success")

35. Are the company's goals evaluated on a regular basis?

C. General Characteristics

36. What is your position in the company?

1 OWNER
2 MANAGER
3 DESIGNER

37. Is this company a:

1 SOLE PROPRIETORSHIP
2 PARTNERSHIP
3 CORPORATION

38. Do you belong to any garment association? Which ones? (eg. Association of Sewn AB Products [ASAP], Canadian Apparel Federation, [CAF])

What do you expect to get from belonging to such an association?

What are your reasons for not belonging?

39. Is this company your sole source of income?

40. How many hours a week do you devote to the company?

41. What is the percentage of your time spent in each of the following areas?

____%MANAGEMENT ACTIVITIES
____%DESIGN
____%PRODUCT DEVELOPMENT
____%BUSINESS COMMUNICATION
____%MARKETING
____%RESEARCH
=100% TOTAL

42. When did you last attend a business seminar?

PROBES

1 WITHIN THE LAST YEAR
2 WITHIN THE PAST 2-5 YEARS
3 HAVE NOT ATTENDED ONE IN FIVE YEARS

What were the topics of discussion at these seminars?

43. What other business experience do you have (including the apparel industry)?

What kind of work have you done (previously) in the apparel industry?

44. How would you rate your relationship with: (Rate each on a scale from 1-Satisfactory to 5-Unsatisfactory)

Suppliers

Buyers

Customers

What are the problems, if any, associated with suppliers and buyers?

45. How would you rate your ease in delegating duties to other company employees?

Not Difficult		Difficult		Very Difficult
1	2	3	4	5

46. How would you rate your comfort level for taking financial risk?

Very Comfortable		Somewhat Comfortable		Uncomfortable
1	2	3	4	5

47. What are the problems, if any, in being isolated from the main centres of fashion in Canada?

PROBES

1 NO PROBLEMS
2 LACK OF STIMULATING FASHION ATMOSPHERE
3 DISTANCED FROM MATERIAL SOURCES
4 LATE DELIVERIES
5 DIFFICULTY IN PURCHASING SMALL QUANTITIES
6 BUYERS ONLY SUPPORTING FAMILIAR NAMES
7 MARKETING SERVICES DIFFICULT TO OBTAIN
8 POOR RECOGNITION OF WESTERN CANADIAN DESIGNERS

If poor recognition is considered a problem, what do you think would benefit this situation?

Are there any advantages to working in Western Canada?

48. What are your personal reasons for being in this business?

49. What is your definition of "success"?

PROBES (customer satisfaction, providing quality product, profit, recognition, personal satisfaction, making it "big", etc.)

50. What post-secondary education do you have? (Technical School, Fashion/Design College, University, program of study, get specific - educational institutions, where, programs, degree/certificate rec'd)

51. 1 MALE
    2 FEMALE

52. What is your age category?

    1 25 YEARS AND UNDER
    2 26-35 YEARS
    3 36-45 YEARS
    4 46-55 YEARS
    5 56-65 YEARS
    6 OVER 65 YEARS

Interview Schedule of Designer

I'm interested in learning about your work experience as a designer in Alberta. You are free to refrain from answering any questions that may make you feel uncomfortable.

1. How do you feel about the support personally received in your professional career?

(Rate each on a scale from 1-Very Supportive to 5-Not Supportive)

Provincial Government

Municipal Government

Media

Canadian Apparel Fèderation

Designer Associations

Comments: (How would you benefit from increased support?)

2. Have you heard of Designlink in Eastern Canada?

If yes, what has it been utilized as a resource for?

PROBES

1 FASHION FACTS
2 PERSONALIZED RESEARCH
3 CONSULTING SERVICES

How did you feel about the service rec'd?

3. Can you describe the other types of companies you worked for as a designer? (including location)

4. Why have you chosen to work in Alberta as a designer? (frustrations, positive aspects)

5. Can you describe the process you follow for designing? **PROBES** [how do you predict trends, inspiration, colorways, product development - consumer needs, directional objectives, research (costs of production, what your competitor is doing)]

6. Have your designs been in a major Canadian Designer Showcase (eg. Toronto Ready-to-Wear)? Which shows?

7. What awards have you received as a designer?

8. Have you ever applied for the Matinée Foundation Award?

9. What are your criteria for "success" as a designer?

10. What would give Canadian designers more visibility?

11. Please indicate the design education/training that you have received.

12. How many years have you been in the apparel industry?

13. 1 MALE
    2 FEMALE

14. What is your age category?

    1 25 YEARS AND UNDER
    2 26-35 YEARS
    3 36-45 YEARS
    4 46-55 YEARS
    5 56-65 YEARS
    6 OVER 65 YEARS

Observing Environmental Behaviour

Date_____

A. Observations of Work Space (Production Area)

1. Organization (describe layout - areas for cutting,) sewing, etc.) (draw a picture of floor plan)

2. Spaciousness (is there overcrowding)

3. Number of Workstations (general efficiency, is there a logical arrangement of workstns.)

4. Production capabilities (extent of mechanization, buttonhole makers, etc. how much is done by hand, no. of production lines)

5. Equipment utilized (function)

Number of Employees (activities involved in): (who is? doing what? where?

Employee Space (coffee room?)

Meeting Room Space

Aesthetics of work space:

1. Atmosphere

2. Employee incentives (visual indications)

Design Process

1. Organization of work space. (is there a separate area from production, etc.)

B. Description of Retail Space

Describe organization (layout, size, fitting rooms) (draw picture of floor plan)

Promotional materials (window displays, business cards, mags, etc.)

Staff (customer service, activities, image - dress)

Aesthetics of retail space:

1. Atmosphere

2. Style(Image) expressed

3. Décor